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THE INDIAN JOURNAL OF PUBLIC ADMINISTRATION

Vol. II. (1956)

AUTHOR INDEX

- Albuquerque, V.M. Social insurance administration in India, 154-70.
- Appleby, Paul H. Meeting future personnel needs, 7-11.
- Bansal, G.L. Liaison between government and the private sector, 22-33.
- Bapat, S.B. Public service commissions—An Indian approach, 54-9.
- Thoughts on co-ordination, 261-6.
- Bhojwani, N.K. Liaison between government and parliament, 218-30.
- Butani, K.N. Leadership in administration, 325-8.
- Cullingworth, J.B. Postwar housing policy and administration in England and Wales, 101-10.
- Embry, Sir Basil. The man of action in modern society, 301-6.
- Fyze, A.A.A. On interviews, 201-7.
- Hilliard, John F. Manpower administration in the United States, 251-60.
- Jagdish Prasad *see* Prasad, Jagdish.
- Karve, D.G. Police administration in India—A re-appraisal of the aims and means, 307-15.
- Khosla, K. Problems of delegation, 237-50.
- Lall, S. The international civil servant, 12-7.
- Malhotra, K.S. The national savings organisation, 359-68.
- Mantan, T.R. Nationalisation of telephone companies, 231-6.
- Menon, V.K.N. The new anchal adhikari system in Bihar, 134-40.
- Nath, V. Evaluation of development programmes, 339-48.
- On confidential reports, 60-9.
- Pant, Pitambar. Advance towards metric, 141-53.
- Prasad, Jagdish. Nationalisation of road transport in Uttar Pradesh, 329-38.
- Prasada, Shankar. Indian airlines corporation, 34-49.
- Rajagopalachari, C. The good administrator, 1-6.
- Roney, Don H. and Cushman, Charles H. How to be interviewed, 316-24.
- Saraiya, R.G. Administration of nationalised undertakings, 111-20.
- Sastri, K.N.V. The administrative heritage of India, 349-58.
- Shankar Prasad *see* Prasada, Shankar.
- Sharma, M.P. Parliamentary control over delegated legislation in India, 208-17.
- Stanchev, Dimo. People's councils in Bulgaria, 50-3.
- Urwick, Lyndall. Public administration and scientific management, 18-21.
- Young, Philip. A forward look in personnel administration, 121-33.

TITLE AND SUBJECT INDEX

(Asterisk indicates title of the Article)

- Administration, Co-ordination, 261-6.
- Administration, Leadership in, 325-8.
- *Administration of Nationalised Undertakings, 111-20.
- Administrative Decentralisation, 237-50.
- *The Administrative Heritage of India, 349-58.
- Administrative Management, 18-21, 237-50, 301-6, 325-8.
- Administrator, The Good, 1-6.
- *Advance Towards Metric, 141-53.
- *A Forward Look in Personnel Administration, 121-33.
- Airlines Corporation—India, 34-49.
- Anchal Adhikari System in Bihar, The New, 134-40.
- Bulgaria, People's Councils in, 50-3.
- Civil Servant, The International, 12-7.
- Civil Service—Classification System, 128-9.
- Civil Service—Merit System, 122.
- Civil Service—Personnel Administration, 121-33.
- Civil Service—Service Rating, 60-9.
- Civil Service *see also* Public Service.
- Colony of Fiji.
- Civil Service—Service Rating, 60-9.
- Community Development, Anchal Adhikari System, 134-40.
- Confidential Reports, 60-9.
- Co-ordination, Thoughts on, 261-6.
- Decentralisation, Administrative, 237-50.
- Delegated Legislation in India, Parliamentary Control Over 208-17.
- Delegation, Problems of, 237-50.
- Development Programmes, Evaluation of, 339-48.
- Employees' State Insurance—India, 154-70.
- *Evaluation of Development Programmes, 339-48.
- *The Good Administrator, 1-6.
- Government and Parliament, Liaison between, 218-30.
- Government and Private Sector, Liaison between, 22-33.
- Housing, Postwar—U.K., 101-10.
- *How to be Interviewed, 316-24.
- India.
- Community Development, Anchal Adhikari System, 134-40.
- Development Programmes, Evaluation of, 339-48.
- Employees' State Insurance, 154-70.
- Government and Parliament, 218-30.
- Government and Private Sector, 22-33.
- Indian Airlines Corporation, 34-49.
- Legislation, Delegated, 208-17.
- Metric System, 141-53.
- National Savings Organisation, 359-68.
- Nationalised Undertakings, 110
 - Airlines, 34-49.
 - Road Transport, 329-38.
 - Telephone Companies, 231-6.
- Personnel Needs, 7-11.
- Police Administration, 307-15.
- Programme Evaluation Organisation, 339-48.
- Public Administration, 349-58.
- Public Service Commissions, 54-9.
- Small Savings Movements, 359-68.
- Social Insurance, 154-70.
- *Indian Airlines Corporation, 34-49.
- *The International Civil Servant, 12-7.
- Interviews, 201-7, 316-24.
- Labour Supply—U.S.A., 251-60.
- *Leadership in Administration, 325-8.
- Legislation, Delegated, 208-17.
- *Liaison between Government and Parliament, 218-30.
- *Liaison between Government and the Private Sector, 22-33.
- Local Government—Bulgaria, 50-3.

- *The Man of Action in Modern Society, 301-6.
 Management *see* Administrative Management.
 *Manpower Administration in the United States, 251-60.
 Metric, Advance Towards, 141-53.
 *Meeting Future Personnel Needs, 7-11.
 *The National Savings Organisation, 359-68.
 *Nationalisation of Road Transport in Uttar Pradesh, 328-38.
 *Nationalisation of Telephone Companies, 231-6.
 Nationalised Undertakings, 111-20.
 —Airlines, 34-49.
 —Road Transport, 329-38.
 —Telephone Companies, 231-6.
 *The New Anchal Adhikari System in Bihar, 134-40.
 *On Confidential Reports, 60-9.
 *On Interviews, 201-7.
 Parliament and Government, Liaison between, 218-30.
 *Parliamentary Control Over Delegated Legislation in India, 208-17.
 *People's Councils in Bulgaria, 50-3.
 Personnel Administration, A Forward Look in, 121-33.
 Personnel Administration—Interviewing, 201-7, 316-24.
 Personnel Administration—Service Rating, 60-9.
 Personnel, Meeting Future Needs, 7-11.
 *Police Administration in India—A Re-appraisal of the Aims and Means, 307-15.
 *Postwar Housing Policy and Administration in England and Wales, 101-10.
 *Problems of Delegation, 237-50.
 Programme Evaluation Organisation, 339-48.
 Public Administration—India, 349-58.
 Public Administration—Police, 307-15.
 *Public Administration and Scientific Management, 18-21.
 Public Administration—Co-ordination, 261-6.
 Public Administration, Local Government—Bulgaria, 50-3.
 *Public Service Commissions—An Indian Approach, 54-9.
 Road Transport in Uttar Pradesh, Nationalisation of, 329-38.
 Scientific Management and Public Administration, 18-21.
 Service Rating, 60-9.
 Small Savings Movement—India, 359-68.
 *Social Insurance Administration in India, 154-70.
 *The New Anchal Adhikari System in Bihar, 134-40.
 Telephone Companies, Nationalisation of—India, 231-6.
 *Thoughts on Co-ordination, 261-6.
 U.K.
 Housing, Postwar, 101-10.
 United States.
 Civil Service, Personnel Administration, 121-33.
 Committee on Specialized Personnel, 253-4.
 Hoover Commission, 129-31.
 Inter-Departmental Manpower Policy Committee, 253.
 Manpower Administration, 251-60.
 National Labor—Management Manpower Policy Committee, 253.
 Office of Defence Mobilization, 252-3.

INDEX TO BOOKS REVIEWED

- Altekar, A.S. State and Government in Ancient India, 396.
Rev. K.N.V. Sastri.
 Anstey, E. and Mercer, E.O. Interviewing for the selection of Staff, 395.
Rev. A.A.A. Fyzee.
 Bailey, Stephen K. Research Fron-

- tiers in Politics and Government—Brookings Lectures 1955, 296.
Rev. V.K.N. Menon.
 Beer, Samuel H. Treasury control—The Coordination of Financial and Economic Policy in Great Britain, 298.
Rev. B.S. Narula.

- Blau, Peter M. *The Dynamics of Bureaucracy*, 192.
Rev. S.V. Kogekar.
- Bromhead, P.A. *Private Members' Bills in the British Parliament*, 297.
Rev. C.V.H. Rao.
- Carter, Byrum S. *The Office of Prime Minister*, 196.
Rev. C.J. Chacko.
- Community Projects Administration. *Kurukshetra : A Symposium on Community Development in India (1952-55)*, 95.
Rev. B.R. Tandan.
- Freeman, J. Leiper. *The Political Process : Executive Bureau—Legislative Committee Relations*, 92.
Rev. S.V. Kogekar.
- Harris, John S. *British Government Inspection—The Local Services and the Central Departments*, 391.
Rev. D.G. Karve.
- Jeffries, Sir Charles. *The Colonial Office*, 194.
Rev. S. Lall.
- Macridis, Roy C. *The Study of Comparative Government*, 93.
Rev. S.V. Kogekar.
- Melby, Ernest O. *Administering Community Education*, 97.
Rev. U.L. Goswami.
- Mukerji, Krishna Prasad. *Implications of the Ideology-Concept*, 191.
Rev. D.G. Karve.
- Robson, William A., *ed.* *The Civil Service in Britain and France*, 393.
Rev. L.P. Singh.
- Schwartz, Bernard. *French Administrative Law and the Common-Law World*, 94.
Rev. B.N. Lokur.
- Seckler-Hudson, Cathryn. *Organization and Management : Theory and Practice*, 98.
Rev. Ajit Banerjee.
- West Midland Group. *Local Government and Central Control*, 397.
Rev. M.P. Sharma.

MISCELLANEOUS

- Correspondence, 73.
- Digest of Reports, 85, 181, 276, 380.
- Director's Reports, 71, 173, 268, 370.
- Editorial Notes, 70, 171, 267, 369.
- News from India and Abroad, 76, 176, 270, 375.
- Notices, 100, 199, 400.
- Our Contributors. After the Contents Page of each number.

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The Indian Institute of Public Administration was established in March 1954 under the presidentship of Shri Jawaharlal Nehru, Prime Minister of India.

The principal objects of the Institute are : to provide for the study of public administration and allied subjects by organising study and training courses, conferences and discussion groups; to undertake research in matters relating to public administration and the machinery of government; to publish periodicals, research papers and books on Indian administration ; and to serve as a forum for exchange of ideas and experiences and a clearing house of information on public administration in general.

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The Good Administrator

[*These extracts from a talk delivered on the 14th August, 1955, under "Sardar Vallabhbhai Patel Lectures" series, by SHRI C. RAJA-GOPALACHARI, former Governor-General of India, are reproduced by the courtesy of All India Radio.—Ed.]*

IF anyone investigated into what most people in India desire as regards government—whether they want democracy, or whether they want a federal or a unitary government, or whether they want the American type of democracy or the British and so on—I guess we shall see that the people want honest, efficient, prompt, just and sympathetic officers; and they do not mind the form of government.

The people expect a rise in the general standard of comfort, and this, too, not for one class at the expense of another but among all classes generally, urban as well as rural. Apart from technical advances leading to increased average national income which will go towards bringing about a rise in the general standard of living, the importance of an efficient administrative organisation is very great. No people can be happy with an inefficient government or with a government that is not firm and impartial. The psychology of the caste nexus and of class differences is strong in India. All the greater is the need for firm and impartial officials, and the common people know this.

For any administration to be good and efficient as a whole, we want the right type of men. *The quality of the men placed in position is more important than the laying down of rules and methods of operation.* The caste consciousness is a hard reality. It unites and divides in a very real manner today whatever be our goal. And today is most important in matters of administration. Short-sighted favouritism and concessions to produce contentment among classes and

castes will be very short-lived and deteriorate into a constant pandering to intrigues and factions if we do not look to the real efficiency of the administration.

For the administration to be efficient we require the right sort of men to be in positions of power and responsibility. Whatever may be believed or said in the passion or thoughtlessness of the hour that often passes for democratic thought, these men must come from our organised higher educational institutions. Splendid exceptions, meteorlike, sometimes appear. Leaders and organisers with Herculean strength come up now and then without any or with but little academic education. But these are exceptions. The general rule is that the men we require for running the administration must come from our higher educational institutions. They cannot be got at elsewhere. The type of equipment and mental make-up that we require for good administrators must therefore be kept in mind in the organisation of higher education, for these cannot be obtained for them elsewhere or later after recruitment.

What are the requirements we should demand in a good administrator? Character is a fundamental requirement. And a fundamental requirement is a most important thing. We cannot let fundamentals take care of themselves.

But though character is a basic requirement, it should be remembered that it is not the decisive factor that makes a person specially fit for administrative tasks. *A very good man may not be at all fit to be entrusted with administrative responsibility in the civil business of the State, even as it is obviously the case in the conduct of a military operation.* It would be easy but perhaps dangerous to give examples of known men who have failed though they are persons of undoubted good character.

After this has been said and admitted, we are apt to think that sound technical equipment is the decisive factor in each department of public service. But it is not so. The special equipment required for various jobs is no doubt indispensable. *But experts cannot govern nor can they be safely allowed to govern, though they may wish and, if permitted, be able to dominate.* In administrative key positions, the special technical equipment that comes into play in those departments is strangely enough by no means the essential requirement.

To give only one example, the man responsible for the fine and rapid development of the electricity system of Madras State was not an electrician, and an electrical engineer could not have done it.

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What is essential at the top is the capacity to judge upon relevant advice and to decide promptly and rightly in executive matters. Judicial offices are not the only places where the capacity to judge is essential. To decide in matters executive, quickly and correctly, is a gift of the gods. And this is it that makes a good administrator. In small as well as great affairs he proves to be a good administrator who has this talent for right judgment and quick decision. It may be that early training can develop this quality. But I am inclined to think that it is a congenital quality and all that we can do is to seek it out where it exists and make use of it.

Those who are in the employ of the Government in our capacities in the branch concerned and the people who are affected by the course of administration must know and feel that in matters of policy as well as in daily administration, they can get clear and binding decisions without delay or procrastination and that there will be no 'messing about', no modifications and counter-orders recalling and revising and modifying decisions once taken.

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Speedy decision does not mean hasty decision without due consultation or discussion. The administrator should have the capacity to obtain the best out of his expert advisers; and quickly to understand what they say. He should have the opinions and experiences of all concerned before coming to his own decision. But when after full discussion a decision is taken, every one should thereafter feel that there will be no vacillation. *Those whose function is to carry out the decision should be sure that they will be supported through every difficulty or unpleasantness and will not be let down at the first hurdle under pressure from some powerful quarter. For successful and good administration in any department in a democratic set-up, this is most important.* It explains the success of most great administrators as well as the failure of others.

Decisions should be speedy. They should certainly wait for full discussion but not for cosmic rays accidentally

and mysteriously to improve our mental apparatus. That is to say, a thing should not be put off for the reason that one is not able to make up one's mind about it.

Often in the affairs of the world wherein generally so many complicated factors are in operation, one particular decision is not the only right decision. But any firm decision is better than indecision. It should be remembered that the decision itself very often affects and alters the environment and psychology of the people concerned. Numerous are the causes, the combined effect of which produces a result. One of them is certainly what follows in the minds of people from the fact of a firm decision. What theoretically may be an imperfect decision becomes the right decision with the help of the environmental and psychological modifications that a firm decision brings about.

The proper moment is most important. The good administrator should not only decide quickly but should have the sagacity to know when to do a particular thing. The quality that enables one to see this is based on the ability to grasp a variety of complicated features and to be able to evaluate them to know what features count and which do not. Often this explains why some succeed and some fail in spite of seeming unlikelihood.

Sagacity and imagination are terms that describe the talents required for judging aright. I have said that this quality is probably inborn and cannot be imparted. But experience does nourish and enlarge native talent. There are some people who though themselves not able to judge matters have the capacity to choose men possessing that ability and those qualities. Although one may not oneself possess imagination or sagacity in all matters, he must have the capacity to appreciate such qualities where they exist in order to be a good administrator in a key position. He should not be one who is jealous of it in others and prefers flatterers and yes-men.

The good administrator who has the capacity to make decisions without procrastination will command the loyalty of his staff if he also infuses the confidence that he will stand by and support them, however unpleasant or difficult the execution may be. He should mix with his staff freely and infuse in them the confidence that he is a firm and fair adjudicator on

issues that come up. He should be even-tempered. *Bad temper is not a substitute for firmness. It does not pay. It leads to being surrounded by worthless people who can stand bad temper.* The better men drop off from one who exhibits ill temper or threatens every moment to do so without adequate reason. And the going away of the better men leads to a double loss. You lose good men and you get flatterers and worthless men. The capacity to size men up quickly and know what sort they are is very important. The administrator should have this special talent or he should entrust that particular job to some one else and accept his judgments without question.

When a decision is reached and it has to be executed, the administrator should bring into being a sense of social purpose among his staff of all ranks. Whatever major decision is reached, and whenever a particular piece of work has to be executed, he should see to it that his men see what it is for and realise that it is a good and laudable purpose. They should be made to feel that it would be a service to society to bring it about. There is an oft-repeated story that brings this out. I shall give it in an adapted form giving it a local and contemporary colour. Someone saw stone-cutters at work in Guindy Raj Bhavan at Madras and he asked one of them, "What are you doing ?" He replied, "I am cutting stone, do you not see ?" "What are you doing ?", he asked a second man. His reply was, "Sir, I am a poor man earning my living." To the same question, a third man answered, "Sir, I am chiselling a Buddha image." A fourth man replied, "Sir, we are building the Gandhi Mandapam to serve as a holy centre for prayer." It is this last man's feeling that must be infused among all those who have to carry out anything decided upon.

A hundred years ago, officials in Britain were incompetent, ignorant and frequently corrupt. Today they are efficient, well informed and of high integrity. I have taken this from a British Council publication. In our country too we can hope for an ideal set of officials, provided democratic politics and communal politics allow and do not block progress and impartiality. The authority of Parliament or the State Legislature must be and is supreme, but *it would be frustrating the aim of democracy to let the influence of political or social groups functioning in the legislature or outside to affect recruitment or promotion in the services.*

In emancipated India it was the hope that *politicians who were born in revolution and civil disobedience should soon learn to become administrators*. But this process has been slow. Instead, at the other end, administrators are perhaps tending to become politicians which is bad.

What I have said applies not only to ministers and administrators in government, but to administrators in all big non-official organisations, be it of industry or distribution or transport or other services. The days of big business may be thought to be over, on account of the Congress resolution as to the pattern of society that Congress wants to build up. But in reality it is not the case. Big organisations are still wanted and will continue. Human nature has a mysterious quality in it. Self-interest and profits attract. But man is led by a master within, who is all powerful and cares not for calculations. Big men will continue doing big things because they cannot help it. Good administration is a common problem for private enterprise as well as for the Welfare State.

To the fundamental requirement of character I made a brief reference, but did not dwell upon it because it must be presumed. It is true as I said that it alone is by no means enough. But without it, let it be remembered, nothing else will avail. It is like daylight which we are apt to forget on account of its very importance. *Character is as important for administrators at every level, from the Chief Secretary down to the last grade servant, as sunlight is to every form of life.*

— DIXE —

“The object of administrative study is to rescue executive methods from the confusion and costliness of empirical experiment and set them upon foundations laid deep in stable principle”.

— WOODROW WILSON
(in *‘The Study of Public Administration’*)

Meeting Future Personnel Needs

Paul H. Appleby

SECOND in importance only to a general orientation to administrative improvement, I would point to the putting into effect of a definite plan for providing for the very substantial increase in number of able civil servants that will be required by the Government of India and all of the States ten and fifteen years hence.

India is going to succeed. Success will involve more activity by Government, activity in greater dimensions, and activity in which complexity will be compounded. The personnel needed to carry these increased burdens cannot be produced ready-made by universities or schools of public administration. No matter how much preparatory and professional training may be improved, in the final analysis the needed personnel must be developed in actual administration incident to the conduct of administration.

An excellent example of the way in which planning may meet the kind of need I have in mind was given me by one of the most important men in the Government of India. He recalled how, during the war, it was well-known that a great deal of money would be made which would greatly increase revenue potentials. It was also known that competent tax collectors could be developed only in the course of about five years. Yet preoccupation with immediate necessities prevented the making of necessary recruitments and as a result the Government lost for ever crores of rupees that should have been collected. In a much more complicated way, the forward needs now are similarly clear. Preoccupation with day-to-day business should not in this case prevent the necessary stitches-in-time.

Consideration of the matter may be approached from four different directions : in terms of technical personnel; in terms of general administrators; in terms of recruitment; and in terms of personnel development.

Technical Personnel

There is need for a systematic survey of forward needs in various technical fields. In some fields—medicine,

agricultural technology, extension, and engineering are probable examples—enough may be known now to warrant extensive enlargement of academic programmes at various levels of advancement which will include technical high schools, nurses' training in hospitals, etc. But probably in these fields, and certainly in others, there is need for more precise data on future needs. I should think that it would be wise for the next decade to confine expansion of college and university facilities and enrolment as closely as possible to those fields in which it has been ascertained that personnel supplies are and will be inadequate.

It should be recognized that standards of technical competence established in Western societies may be for some time to come inapplicable and inappropriate here except for top groups in the various fields. Dealing with the masses may be more effective as well as easier to provide for if it is recognized that the degree of expertise required by government personnel must have a relationship to the present condition of the citizens with whom work will be done and to the dimensions of need.

It will also be desirable, somewhat at the time of recruitment and greatly in governing in-service assignment and development, to differentiate between technicians specializing in sub-fields of specialization and technicians dealing more generally with technical functions. Some effort should be made to recruit a small percentage of technically-trained persons in the various fields who already show a capacity for general virtuosity. Certainly in the first eight or ten years following their recruitment there should be a considerable effort to select out for special attention those individuals who demonstrate breadth of interest, flexibility, and general good judgment; such persons are the ones best fitted to move upward in hierarchies of organizations carrying on functions of heavy technical content. For the purpose of such identifications, persons whose experience and competence are of a definitely general quality should have a highly influential voice.

General Administrators

As the increase in technical character of governmental activities develops, the need for generalist personnel who can sensibly relate different aspects of matters will increase both in importance and in numbers at a geometric ratio. The great

virtue of generalist competence found in the old I.C.S., in the new I.A.S., and in the British "administrative class" needs to be made stronger and deeper in years ahead. If enough attention is given to developing relative generalists out of technical personnel, the need will become more manageable. Other efforts should include increased recruitment of persons in the I.A.S. formula, increased development of Class II personnel, increased recruitment of persons especially trained in public administration, in economics, social psychology and sociology in association with training in public administration, and great attention to improving direction and management of personnel in terms maximizing their capacity for promotion, along with encouragement of part-time academic work, administrative short-courses and the like. These things will be recited and briefly expanded in the section on "personnel development".

Recruitment

Implicit in what already has been said is the general point that there should be more recruitment, both at the Centre and in the States, than now is being made, built in terms of these forward needs. A minimum programme would call for the Centre alone to add no fewer than 300 of the most promising persons available just as soon as possible, and to follow this up with further additions. It should be recognized that the right kind and amount of in-service development will fully compensate for what might otherwise be regarded as marginal inadequacy. Emphasis should also be given to the fact that a good many persons not now being brought into the public service can be induced to come in with more imaginative and aggressive recruitment efforts. There should be relaxations in respect of entering-age requirements, and in particular there should be a systematic effort to recruit at about the age range of from 28-32, when persons will have had some worldly experience and will have reached an age where demonstration of ability is more convincing and relevant than it usually is at the age of college graduation. Some recruitment should be encouraged at still higher ages. Temporary employment should also be given to academicians who will thus be prepared in their teaching to give instruction in a way more useful than heretofore to students looking forward to government careers.

Personnel Development

One of the most difficult, extensive and important aspects of the whole matter under discussion is in the field of maximizing the growing-power of persons after they are recruited. India already has a highly laudable experience in this matter in the case of the I.C.S. and I.A.S. But the applications of the learning of that experience to the personnel generally will not be simple or easy. In other governments—and I am thinking now chiefly of the Government of the United States—extensive and numerous experiments in in-service training went on for two decades before the results began to be significant in large dimensions. Here I list some of the means that appear hopeful and important : Emphasizing the responsibility of all supervisors, executives and administrators for giving leadership and instruction which will speed up and maximize learning of employees. Special efforts should be begun which hereafter will apply in particular to all recruits; they should be given systematic orientations which will enable them to understand the relationship of their assignments to the large and significant programmes of government and to their particular organizations. They should be instructed not merely in rules of business but in the reasons for the rules. They should be given responsibility, encouraged to exercise discretion and thus enabled to learn how to avoid mistakes in exercising judgment. At each stage they should be given enough responsibility to tax their capacities without seriously over-taxing them. Persons demonstrating alertness, flexibility, quick perception and superior judgment should be given diversified experience, for this is what enlarges perspective and thus equips with judgment. A certain rather large percentage of persons should be encouraged to find fulfilment by specializing in certain activities, just as others should be encouraged to diversify—the latter constituting the smaller number. Employees should be encouraged to take single academic courses which will add to their competence in particular jobs and lines of career. There should be short-courses that are especially developed for people with certain common needs. There should be in-service seminars in which efforts are made to advance learning and understanding relevant to job success. Promotions should be considered more in terms of individual readiness for more responsibility, and less in terms of fixed time-spans. It should be particularly remembered that persons who are to rise high will need to rise

rapidly. Technicians should be encouraged to learn more about the functions thought of as in the field of general administration, and generalists should be encouraged to read and study broadly in technical fields; this need is rooted in the fact that the two kinds of persons inevitably will be involved with each other and need to understand generally the fields of the others. Especially promising persons and key figures among the more mature should be given opportunities to go abroad to study and observe practices there; again, this widening of perspective will provide the elements of superior judgment.

It may be useful to list some of the terms in which improved understanding is important but which do not coincide with academic disciplines or with governmental functional specializations. The ways of *organizations, organizational structure, decision-making, judgment and wisdom*—all these are key terms that are highly relevant to improvement in public administration. Characteristics of public administration peculiar to democracy, and administration especially oriented to a Welfare State are also highly important terms of orientation.

“A true leader aims so to organize and develop his particular effort that when he withdraws, those who have been associated with him in it will have acquired a sense of responsibility that will carry the effort along with approximately the same effectiveness without him. This is of course an ideal which is seldom realized in practice, and it should be recognized that no one has ever succeeded in organizing any piece of work so that it operates itself. On the other hand it is useful to (have) this as an objective.....”

—G. L. WARREN
(in ‘Social Planning and Social Leadership’)

The International Civil Servant

S. Lall

THE growth and development of an International Civil Service during the last four decades constitutes a landmark in the administration of international affairs. The International Civil Service has not come to be established in the same way as the national civil services of most countries nor has it the same background of long and rich experience. It came into importance only after the first world war when the League of Nations was set up. During the second world war it was faced with a serious crisis threatening its very existence. The termination of hostilities saw the establishment of the United Nations and many new specialised agencies. These international organisations set about their tasks with a firm determination to achieve substantial results in a short time. In spite of the inevitable difficulties in recruitment, the size of the international staff was considerably enlarged during the first three years. But as the programmes of the international organisations developed, the enthusiasm of the member states, which were called upon to bear the cost, began to decline. This led to a demand for economy and for retrenchment. The emphasis shifted to greater personnel efficiency. For the International Civil Service a period of reckoning followed, the strain of which has been greatly accentuated by the mounting international tension.

The International Civil Service in its broader context covers the personnel both of the United Nations and its Specialised Agencies. But as the terms and conditions of service and recruitment practices are not identical in each case, the scope of this article is confined to the role of the International Civil Servant in the United Nations.

II

The International Civil Service occupies the same central position in international administration as the national civil service does in a federal government. There are, however, some important differentiating features. *First of all*, the International Civil Service is not vested with any governmental

authority normally exercised by a national civil service. *Secondly*, recruitment to the International Civil Service is not made as much on the basis of merit as in most of the national civil services in advanced countries. This is partly due to the necessity of regional representation, which is a legitimate consideration recognised by the constitution of the United Nations, but also results from the pressure of exaggerated national claims. *Thirdly*, though International Civil Servants enjoy a higher status and their scales of pay and allowances and pensions are generally more favourable than national civil services, they do not have the same security of tenure. *Lastly*, the International Civil Servant has to work in an international setting where the interplay of political influences is much more marked. All these differences are reflected, in turn, in the nature of the duties which the International Civil Servant is called upon to perform, the qualities required for their successful performance and in the overall personnel policy and practice.

The duties of the U.N. personnel are more varied and the range of subjects dealt with much wider and more highly specialised than is the case with most national services. The main function of the U.N. Secretariat is servicing the General Assembly, the Security Council, the Economic and Social Council and the Trusteeship Council. The International Civil Servant has to prepare basic memoranda for the meetings of these organs as well as the summary or verbatim records of their proceedings. The number of political, social and economic problems, which come up for discussion is increasing and so is their scope. Each has to be carefully examined and studied. Sometimes staff members are detailed on field visits and surveys. At times they may even be called upon to report on the actual facts of an occurrence, though so highly delicate a function is more often entrusted to special investigation than to the permanent officials of the Secretariat.

Then there is a considerable volume of work connected with arrangements for meetings and conferences. Speeches made in the United Nations in any of the five official languages, viz., English, Spanish, French, Russian and Chinese, have to be interpreted simultaneously or translated immediately into the other four languages. The fact that the staff members and delegates come from different countries with different cultural and social backgrounds, necessitates

the holding of frequent social gatherings to promote a sense of international fellow-feeling.

The International Civil Servant is expected to perform his duties with "the highest standards of efficiency, competence and integrity". Every permanent officer of the professional category is screened by a Review Board every five years in regard to his suitability to continue to hold his post. This Board carefully scrutinises his confidential records, checks whether the statements about his work made therein are based on facts or not, and even interviews him if found necessary. Standards of performance have generally been laid down for secretarial and clerical posts. It would, however, be dangerous to assess the efficiency of the International Civil Servant by the standards applied to national civil servants as the nature of work and its setting differ materially.

The International Civil Servant does not play that significant role in the formulation and execution of policies which his counterpart does in national administrations. Substantive questions of policy are decided by the General Assembly, the Security Council, the Economic and Social Council and the Trusteeship Council; the work of the U.N. personnel is mainly confined to providing necessary secretarial and technical assistance to these bodies. The personnel, however, is in a position to contribute indirectly to the framing of policies through presentation of facts, expression of views, and the drafting of resolutions. Here, the international character of their duties calls for objectivity and demonstrable impartiality. In the field of policy execution, the International Civil Servant is primarily concerned with the communication of the decisions taken by the United Nations to appropriate national governments. He may, as already stated, even carry out some field studies, or surveys authorised by any of the U.N. organs. On the whole, both the power and responsibility of the International Civil Servants are much less than those of the national civil servant, but he is subject to greater criticism and for that reason has to exercise greater caution and discretion.

III

The International Civil Servant has to conduct himself in such a way as not to create even a suspicion of impartiality or unreliability. The U.N. Staff Regulations provide that

his responsibilities are "not national but exclusively international" and that "he shall neither seek nor accept instructions from any government or from any other authority external to the Organisation". While he is not expected to give up his national sentiments or political convictions, he cannot engage in any activity which is incompatible with the proper discharge of his duties in the United Nations. The International Civil Servant has, accordingly, to harmonise and balance a multitude of conflicting interests and views with such nicety as not to offend any of the member states, each of which is highly sensitive to anything written, said or implied affecting its own position or prestige.

The International Civil Service is to be recruited on "as wide a geographical basis as possible". While the selection of the international staff should be made "on a competitive basis", the consideration relating to regional representation in actual practice implies that the staff drawn from any country has to depend upon the goodwill of its government both for initial recruitment and continuance in employment. If a staff member feels that he is being unjustly treated, he naturally seeks the protection of his country's delegation. There is also an unfortunate tendency on the part of national governments to distrust its nationals in the U.N. Secretariat who do not strictly adhere to the current political faith of the country. The distrust of an International Civil Servant at times arises from the views expressed by him in the course of the conscientious discharge of his official duties. For instance, an officer advocating that technical assistance should be channelled through the United Nations was openly discredited in his country for presenting a point of view which was contrary to its policy.

This tendency is not confined to any particular nation or bloc. It came prominently to notice during the loyalty check of some American staff members, who were suspected by the Government of being or having been members of the Communist Party. The U.S. Government objected to their continuance in the U.N. Secretariat because they had refused to disclose the nature and the extent of their present or past Communist connections. The argument was that Communism having been declared as subversive by the Government of the United States, any American suspected of Communism could not be trusted to act fairly where the interests of his country were involved. Although not a

single concrete charge could be brought against a staff member, his continued employment in the U.N. was challenged with such force as to place the Secretary-General in a most unenviable position. The 'loyalty check' introduced a new principle and a new procedure for dealing with an International Civil Servant. He could be judged not on the basis of concrete facts but on doubts and suspicions without even a full and clear statement of the reasons. This has had a serious effect on the morale of the U.N. personnel.

In some Latin American countries, revolutions are of frequent occurrence. Governments change almost overnight from left to right and *vice versa*. A staff member sponsored or supported by his previous Government is liable to be declared, so to speak, *persona non grata* and, therefore, not worthy of retention in the International Civil Service.

At times distrust is expressed of the motives and even the *bona fides* of individual staff members. In the Department of Trusteeship and Information from Non-Self-Governing Territories, the staff has to be particularly careful that no statement or action is likely to cause annoyance or irritation to the administering power or the people of the territories.

The present regional composition of the U.N. Staff whereby some regions are heavily represented while other important regions are inadequately represented or not represented at all makes it particularly vulnerable to the political climate of distrust. It has given rise either to suspicions of partiality and discrimination on the part of those in authority, or to the feeling that, even in matters of pure administration, political rather than administrative considerations influence the decisions. If the present defective regional composition is to be remedied—and it is generally accepted that it should be—it is all the more important that recruitment generally and from the unrepresented or inadequately represented regions should be strictly on the basis of merit and free from political influences.

It is most important that a system of recruitment calculated to create greater confidence should be evolved. The application of the well-recognised techniques of examination, interview and testing may present difficulties, but with suitable modifications and adjustments they could be given a trial. Wherever possible, the co-operation of Public Service Commissions should be enlisted in the selection of candidates.

The relatively less secure tenure of the International Civil Servant as compared to that of national civil servants also affects the former's work attitude. At present, the Secretary-General may terminate the appointment of a permanent staff member "if, in his opinion, such action would be in the interest of the United Nations". Appeal to the Administrative Tribunal against such termination of the service can only be made through the joint appeals body but the decision of the Tribunal is not binding on the Secretary-General who may, instead, award compensation as provided for in the U.N. Staff Regulations. A national civil servant stands on firmer ground. His services cannot generally be terminated without giving him an opportunity to defend himself against the charges levelled. Accordingly, the International Civil Servant has to be much more cautious and restrained in the expression of what he conscientiously feels about any official matter or any proposed course of action.

IV

The past five years have been a period of trial for the International Civil Service. There is nothing in this experience that should make one feel pessimistic in regard to its future. The U.N. Staff have, on the whole, risen above the difficulties and embarrassments with which they were confronted. They have also shown that even in the atmosphere of distrust they can be relied upon. Many instances can be cited in support of this, but only two typical cases need be given. The interpretation of important political speeches in Russian is entrusted to an American with the fullest approval of the Soviet delegation. In the Department of Trusteeship and Information from Non-Self-Governing Territories, the careful and objective study of the problems of these territories by U.N. Staff, who are nationals of the colonial powers, has received unstinted praise from delegations inexorably opposed to colonialism.

The recent history of the International Civil Service provides a lesson applicable to every civil service. When trouble threatens, nothing is more important than a genuine interest in the job and the capacity to do it well. When this interest is absent or is killed, nothing is of avail.

Public Administration and Scientific Management

Lyndall Urwick

HITHERTO in seeking to apply modern concepts of management, or to give them their proper title "Scientific Management", Governments have generally employed their own staff. Thus, in Great Britain, the Treasury Organization and Methods Division is a part of the Civil Service. It is staffed by individuals who are either specially recruited or drawn from various groups within the Service, but who, whatever their origin, are either already permanent members of the Service, or hoping to become so.

From the stand-point of the Civil Servant, this system has its advantages. Those at the head of a great service can feel that the application of these modern methods to their existing practice will not be unduly hurried. Whatever reorganization may be suggested, it will, ultimately, be under the control of the service. Those responsible will be unlikely to do anything too drastic or too unorthodox. If they attempt to do so, those in charge of the service will be able to restrain them. Any element of undue originality in their suggestions will carry a proportionate diminution of their prospects of advancement in the Service. In any event, they will be unlikely to challenge firmly rooted traditions, or to suggest practices which are repugnant to the customs and attitudes which the service has established by long evolution.

On the other hand, Scientific Management does involve, as its founder Fredrick Winslow Taylor insisted, a "Mental Revolution", and "Mental Revolutions" are not detonated by the cautious observance of existing customs and traditions. It seems probable that, if Organization and Methods work is arranged in the way described, Governments will be slow in gaining the advantages to be secured by a vigorous application of modern methods of management. While up to a certain level it will be possible for Organization and Methods Divisions to introduce better organization, modern office machinery, improvements in forms and procedures and,

generally, to tidy up details, it is improbable that they will possess the weight and influence to persuade large departments to undertake major changes, or to straighten out the tangles which so often occur in inter-departmental relationships. Such changes demand understanding and support from the senior officials in the departments concerned. Such officials are usually very busy men with many quasi-political pre-occupations; they are necessarily concerned with what interests their Minister. Usually they have neither the time nor the inclination for close examination of new ideas and new methods of thinking applicable to the executive work of their departments, let alone for the close study necessary to understand an entirely new approach to such work. But unless they can find time to learn to understand the principles of Scientific Management, they will not possess the insight to judge the proposals of experts. There are always more people prepared to oppose new ideas than to accept them readily.

An alternative formula of some interest has been tried in the U.S.A. and is believed to have been successful. A small and high-powered Committee of business men was appointed by the Secretary of Defence to inquire into the organization of Defence requirements procurement, *i.e.*, the ordering or buying of defence material. This small Committee realized that it was not equipped and its members had not the time to undertake the work of investigation into the existing organization. It accordingly appointed a well-known Firm of Management Consultants to do this inquiry for it and to submit recommendations. This Firm were, of course, men of the highest reputation accustomed to advising the largest business Corporations in the U.S.A. on questions of organization. They approached their task in the strictest professional spirit.

Similarly, many of the enquiries preceding the report of the President's Committee on Administrative Management, appointed by F.D. Roosevelt in 1937, were organized on this basis. The difficulty in other countries is that professional Management Consulting Firms of sufficient standing and experience are not readily available, or, if they are, senior members of the Civil Service are not prepared to recognize that they possess the skill and knowledge to be of help.

Nevertheless, *unless investigations into the formal organization of agencies under Government control are conducted*

with complete detachment from the interests and prejudices of the existing Civil Service structure, they are likely to lack both the scientific insight and the drive necessary to secure changes as fast as they should occur.

The machinery of Government in many countries is not keeping pace with modern technology. Within a short half-century, improved communications have made the world infinitely smaller. Nations live much closer to each other and consequently have many more opportunities of misunderstanding each other. The development of power-driven machinery and of the factory system have made both their internal social organization and their international economic relations much more complex. Yet they are, in the majority of cases, attempting to deal with these infinitely more intricate problems of government through the constitutional and executive organization of the last century. In many instances both politicians and officials are grossly overworked with the result that they can attend properly to only a small fraction of their greatly increased burden of duties.

A possible alternative to using outside firms of consultants is that Governments should recruit their own corps of specialists in Scientific Management, but should render them completely independent of normal Civil Service Establishments. Thus it would be possible to build up such a service as part of the Prime Minister's personal staff. It would, however, be necessary in such circumstances : (i) to create three or four posts at the top of such a department at least equivalent to those of a Secretary; otherwise, the new service would not attract sufficiently good men; (ii) to ensure that the terms and conditions of entry into the service were equivalent to those offered to an Under-Secretary. It would be necessary to recruit men of considerable ability who had already considerable experience of Scientific Management; (iii) to transfer a proportion of such staff to Civil Service posts, or to give them an opportunity of obtaining outside positions in business after some five to ten years' service. In all private Management Consultant undertakings such transfers of staff are both usual and necessary in order to keep the staff original-minded and to avoid the work taking on any aspect of routine.

But perhaps the greatest danger is that such an official management consultancy service would imagine that its duty

would involve being critical of departments or service it might investigate. To be critical in this way, as all private Management Consultants know, is to render those who publish their criticisms incapable of doing effective reorganization work in the departments of other units they have criticised. The installation of Scientific Management in any organization is essentially a matter of constructive and persuasive leadership, *not* of authoritarianism or witch-hunting. It is even possible that Parliament might wish to use such a new instrument in the wrong way, and, by employing it as a whip or a good rather than as a stimulant, render it incapable of doing its proper work in the only way in which it can be done.

Whatever solution is adopted, it is essential for the countries which are embarking on programmes of economic development that they should make a greater use of the ideas of Scientific Management in their machinery of Government, particularly perhaps where they have transferred a considerable segment of their economic life to public control. There may be ways of doing this other than those examined in this short article, but the vital point is that it should be done and done quickly.

“Proponents of a special administrative class sometimes contend that scientific and technical men lack administrative ability..... Ability to cite some cases in which scientific and technical men lack administrative ability does not prove that all scientific and technical men lack administrative ability, any more than ability to cite some cases in which scientific and technical men were outstanding administrators proves that all such men are excellent administrators..... Observation suggests that administrative ability and interest are something rather separate and distinct from fields of learning and that good administrators and poor administrators may be found in almost any field.”

—LEWIS MERIAM
(in *Public Personnel Problems*)

Liaison between Government and the Private Sector

G. L. Bansal

IN the early days of capitalist development when *laissez faire* was the rule, the role of Government in economic life was limited. But during the last few decades, with developments in technology and changes in the social and political *milieu*, there has been an increase in the importance of the State in economic activity. In a country like India, which is launching upon rapid economic development in the framework of a planned economy, the State has come to acquire a dominant position. To a certain extent a planned approach to development, which, as the Draft Outline of the Second Five Year Plan points out, "necessitates an integration of economic and social policies *inter se* and in terms of the objectives and priorities on which the Plan is based", gives a more positive role to the State. The techniques or instruments to be employed in securing that such integration covers also what is referred to as the Private Sector, may have to be varied in the light of actual requirements. In a number of cases—probably a larger number than at present—fiscal or price incentives could be relied on. But whether one likes it or not, there are and will continue to be cases where licensing procedures and practices, foreign exchange allocations, sanctions of capital issues, allocation of scarce raw materials, fixation of prices, etc., will have to be resorted to. In other words, the functioning of a market economy which by definition does not need the intervention of the State has come to be supplemented in certain directions by active governmental action. The basic problem is how to evolve a system where there is sufficient mutual understanding of each other's problems and difficulties on the part of those who are concerned with private industry and business and those who are concerned with the legislation or administration of economic problems.

II

In a sense, this is not a problem peculiar to India, although its importance may be greater in the framework of

a mixed economy which is to serve as a means of evolving a socialist pattern of society. Even in a country like the United States of America where private enterprise has been considered synonymous with the freedom of the individual, the need for close liaison at various levels between governmental machinery and private enterprise has been felt, and various institutional and other devices have been adopted towards this purpose. For instance, one of the most notable examples of the liaison is the Business Advisory Council which was started in 1933 by the then Secretary of State for Commerce, Mr. Daniel C. Roper. The object of the Council was to secure the benefit of the advice and counsel of a group of public-spirited men who were successful in the conduct of business affairs. It started with a membership of about 40 which number has since increased to 60. The Council elects from itself an Executive Committee consisting of 15 members, one Chairman and four Vice-Chairmen. Though the Commerce Secretary is the general *ex officio* Chairman, he does not preside at the meetings, but he is always present. A noteworthy feature of the Business Advisory Council is that the original members were all hand-picked by the Secretary of State for Commerce. The meetings of the Council which take place from four to six times a year, supplemented by Executive Committee meetings in between, are attended also by the Assistant Secretaries in the Department of Commerce. There is regular agenda for each meeting and a brief record of the proceedings is kept, but the whole idea is that the Body advises in an informal manner. The records are not circulated even to members and no report is published in the Press. The Council has a very small staff. The main usefulness of the Council, according to those who have had opportunity to work on it, lies in the fact that it enables the business representatives to understand the Government's point of view; enables the Department of Commerce to take definite position vis-a-vis other Departments of Government; and finally gives the other Departments of Government an opportunity to have the businessmen's reactions on specific proposals, such as those pertaining to industrial relations, legislation and taxation.

In the United Kingdom, both during and after the War, liaison between Government and Industry was effected by a large number of Boards, Councils and Committees organised nationally and in appropriate cases locally as well. While no fixed pattern of composition was adopted, the general

intention was to create representative tripartite Bodies which would include nominees of Employers' Associations, Trade Unions and the Government. These Committees included representatives of the Federation of British Industries and/or the Association of British Chambers of Commerce. A smaller number of trade unionists, some civil servants, university staff or other persons were appointed in their official capacity. The most important of these bodies were the National Production Advisory Council and the National Joint Advisory Council. The former, first organised in 1941 and reconstituted in 1945, consists of seven representatives of Industry nominated jointly by the Federation of British Industries and the British Employers' Federation, seven nominees of the Trade Union Congress, two representatives of nationalised industries, senior civil servants from Ministries, generally the Board of Trade and the Ministry of Supply, and the Chairmen of the Regional Boards of Industry which are the National Council's counterparts at regional levels. The Council's function is to "advise industrialists upon industrial conditions and general production questions (excluding matters which are normally handled by the joint organisations of employers and trade unions, in connection with wages and conditions of employment), and on such questions as may arise from the proceedings of the Regional Boards for Industry". Meeting normally every two months, the Council acts as a clearing house for discussion of questions of general interest to Government, Industry and Labour.

The other Body, viz., the National Joint Advisory Council, formed in 1939 and reconstituted in 1946, comprises 17 nominees of the British Employers' Federation and 17 nominees of the Trade Union Congress together with representatives of nationalised industries. Its functions are "to advise on matters in which employers and workers have a common interest and to provide for closer consultation between the Government and organised industry. It also provides a channel through which Government can make available to both sides of industry confidential information concerning Government policy and the national economic position."

Apart from these two Bodies and a number of regional and local Boards organised to discuss and advise on economic questions at regional levels, there were a large number of

industry-wise Advisory Committees, which were set up to consider, among other subjects, science and technology, productivity, investment and industrial research. The wide range of these consultative and advisory bodies is brought out by the fact that in 1947 the Federation of British Industries was directly represented on as many as 37 such Committees and Councils. In addition, most industries and trades had their own separate Boards providing a further link between Government and Industry. In practice, the scope of the different Committees varied considerably. Some were purely advisory while others were much more than merely advisory or consultative. For example the Engineering Council possessed quasi-executive powers. An official description of it in 1951 stressed that "it is a very useful Body which produces considerable dividends, for example, disseminating the doctrine of standardisation and the best techniques supplied by the larger firms. It is a very powerful Body presided over by the Minister.....follow up action is taken. They do not just make a recommendation at one meeting and then forget it; the important points are pursued". An important contribution of the Advisory Committees was to provide forums of discussion in which Government, Industry and Labour could express their points of view and if necessary argue and defend them. Through them the Government was apprised of prevailing opinion in an industry, and industry, for its part, was kept informed of changes in Government's plans and objectives. For the Labour Government, particularly, this elaborate network of consultation served the additional purpose of lubricating the machinery of State control and in some cases replacing controls by voluntary agreements. The expansion of the steel industry and the establishment of the oil refining industry during 1945-50 were noteworthy examples of industrial development carried out by Industry after consultation with Government.

The British experience in the matter of relations between Government and Business is here described at some length, partly because it highlights the extent to which evolution of consultative machinery has been on similar lines in our country and also because the context of circumstances in post-war Britain is in some respects similar to our problems of planned development in a mixed economy.

III

In India, the spheres in which governmental machinery comes into direct contact with private commerce and industry have increased progressively with the growth of regulation and control. Although in the last three or four years there has been a decline in the importance of physical controls in the sense of rationing or allocation of materials, there still exist important controls such as those on iron and steel, cement and coal. But apart from this, the businessman has frequently to deal with Government in almost all matters pertaining to the conduct of his business. For instance, the elaborate structure of the recently amended Company Law, the existence of control over capital issues, import and export control, labour welfare legislation like Compulsory Provident Fund Scheme and Health Insurance, have all tended to increase the points of contact between the businessman and Government. One consequence of planning, whatever be the particular pattern adopted, is to increase the paperwork and form-filling by industry. No precise figures of the extent of this increase are available but there can be little doubt that the clerical work has increased considerably on account of the multifarious forms of regulation and control. In the case of the United Kingdom, for instance, between 1935 and 1948, according to the results of the 1948 Census of Production, the ratio of administrative, technical and clerical workers to production employees in industry increased from 13% to 17% and the increase was mainly a consequence of adjustment to the control apparatus. This increase in clerical—and from the employers' point of view unproductive—work is always a source of annoyance, particularly to the smaller firms, and though some lessening of burden in this regard may be feasible, it would, by and large, be difficult to achieve a regulated or planned economy, without increasing the paperwork at least in the initial stages.

It is evident that if, and to the extent to which regulation and planning take place with the consent of those affected, that process would become easier and less irksome. The question therefore arises as to the best method of ensuring that regulation and planning take place at least by consultation with, if not by the consent of those engaged in business. As in the United Kingdom, here also the elaborate machinery of regulation has at various stages come to be supplemented by non-official or semi-official advisory bodies. For instance,

the Industries (Development and Regulation) Act, which gives Government a wide variety of regulatory powers also provides for the establishment of a Central Advisory Council for Industries. According to the Act, the Advisory Council shall consist of a Chairman and such other members, not exceeding 30 in number, all of whom shall be appointed by the Central Government from among persons who are in its opinion capable of representing the interests of :—

- (a) owners of industrial undertakings in scheduled industries;
- (b) persons employed in industrial undertakings in scheduled industries;
- (c) consumers of goods manufactured or produced by scheduled industries;
- (d) such other class of persons including primary producers as in the opinion of the Central Government, ought to be represented on the Advisory Council.

The functions of the Council, however, are left somewhat vague in the Act where the only provision is that the Central Government *shall* consult the Council in regard to the making of any rules under the Act. Government *may* also consult the Advisory Council in regard to any other matter connected with the administration of the Act in respect of which the Central Government may consider it necessary to obtain advice of the Advisory Council. In practice, the Council has been meeting approximately twice a year and the discussions in the Council, which is presided over by the Minister for Commerce and Industry and attended by other Cabinet Ministers and senior officials, have been quite helpful in apprising Government of the views of Industry, Labour, etc., and also in enabling the representatives of Industry to know the Government's mind on various important issues. A Sub-Committee of the Central Advisory Council is charged with the reviewing of licences granted, refused or revoked by the Licensing Committee which, under the above Act, consists entirely of officials. The industrialist members of the Council are also informally associated with the work of the Steering Committee of the Planning Commission which again is a purely official body.

The Industries (Development and Regulation) Act also provides for the establishment and constitution of Development Councils and further lays down their functions. Development Councils, according to the Act, are to consist of members who, in the opinion of the Central Government, are :—

- (a) persons capable of representing the interests of owners of industrial undertakings in the scheduled industry or group of scheduled industries;
- (b) persons having special knowledge of matters relating to the technical or other aspects of the scheduled industry or group of scheduled industries;
- (c) persons capable of representing the interests of persons employed in industrial undertakings in the scheduled industry or group of scheduled industries;
- (d) persons not belonging to any of the aforesaid categories, who are capable of representing the interests of consumers of goods manufactured or produced by the scheduled industry or group of scheduled industries.

The functions which may be assigned to the Development Councils re listed in the Act itself as follows :

1. Recommending targets for production, co-ordinating production programmes and reviewing progress from time to time.
2. Suggesting norms of efficiency with a view to eliminating waste, obtaining maximum production, improving quality and reducing costs.
3. Recommending measures for securing the fuller utilisation of the installed capacity and for improving the working of the industry, particularly of the less efficient units.
4. Promoting arrangements for better marketing and helping in the devising of a system of distribution and sale of the produce of the industry which would be satisfactory to the consumer.
5. Promoting standardisation of products.
6. Assisting in the distribution of controlled materials and promoting arrangements for obtaining material for the industry.
7. Promoting or undertaking inquiry as to materials and equipment and as to methods of production, management and labour utilisation, including the discovery and development of new materials, equipment and methods and of improvements in those already in use, the assessment of the advantages of different alternatives and the conduct of experimental establishments and of tests on a commercial scale.
8. Promoting the training of persons engaged or proposing engagement in the industry and their education in technical or artistic subjects relevant thereto.

9. Promoting the retraining in alternative occupations of personnel engaged in or retrenched from the industry.
10. Promoting or undertaking scientific and industrial research, research into matters affecting industrial psychology and research into matters relating to production and to the consumption or use of goods and services supplied by the Industry.
11. Promoting improvements and standardisation of accounting and costing methods and practice.
12. Promoting or undertaking the collection and formulation of statistics.
13. Investigating possibilities of decentralising stages and processes of production with a view to encouraging the growth of allied small scale and cottage industries.
14. Promoting the adoption of measures for increasing the productivity of labour, including measures for securing safer and better working conditions and the provision and improvement of amenities and incentives for workers.
15. Advising on any matters relating to the industry (other than remuneration and conditions of employment) as to which the Central Government may request the Development Council to advise and undertaking inquiries for the purpose of enabling the Development Council so to advise, and
16. Undertaking arrangements for making available to the industry information obtained and for advising on matters with which the Development Councils are concerned in the exercise of any of their functions.

Development Councils have so far been formed for the following industries :

1. Heavy Chemicals (Acids and Fertilizers).
2. Internal Combustion Engines and Power-Driven Pumps.
3. Bicycles.
4. Sugar.
5. Light Electrical Industries.
6. Heavy Electrical Industries.
7. Pharmaceuticals and Drugs.
8. Heavy Chemicals (Alkalies).
9. Woollen Textiles including woollen yarn, hosiery, carpets and druggets.
10. Artificial Silk including Art Silk Yarn.

Apart from the machinery for consultation between Industry and Government outlined above, there are a number of other Committees on which industrial and trading interests are represented. For instance, there is the Capital Issues Advisory Committee which is a statutory body under the Control of Capital Issues Act, on which there are representatives of Industry. Of particular importance to those engaged in trade are the Import and Export Advisory Councils on which also there are representatives of trade either in their individual capacity or as representatives of important bodies like the Federation of Indian Chambers of Commerce and Industry. In fact, the criticisms and suggestions made by persons associated with these Councils have been in no small measure responsible for the emergence of a stable import and export policy and for procedural improvements in the working of foreign trade controls. There are also other bodies like the Customs Advisory Committees at the three main ports of Bombay, Calcutta and Madras, which help in solving the day-to-day difficulties of people engaged in trade and commerce. In the case of particular industries or trades, there are Boards or Committees with which those interested in that particular activity are associated. There are, for example, statutory Boards for Tea, Coffee, Rubber, Jute, etc., and Committees for Cotton, Oilseeds, Tobacco, etc. In addition to the representation on Consultative Committees or Councils, it is not unusual for people connected with commerce and industry to be appointed on *ad hoc* Committees for investigating particular problems. For instance, in recent years the Fiscal Commission, the Company Law Committee, the Import Trade Control Enquiry Committee, State Trading Committee, to name only a few, had businessmen amongst their members. Another important source of consultation and co-operation is the informal contact between the Ministry of Commerce and Industry and different trading interests, particularly in regard to the negotiation of bilateral trade agreements with different countries. In negotiations under the GATT also Government does from time to time seek the views of representatives of commerce and industry.

IV

The foregoing account indicates briefly the broad structure of consultation and co-operation between Government and the Private Sector. There are also other elements in the

consultation process. For instance, it is not unusual for Ministers of the Central and State Governments to inaugurate or address Chambers of Commerce and other Trade Associations. In a few cases, the Ministers also discuss matters informally with the Executive Committees of these Associations. Similarly, representatives of leading Chambers of Commerce, particularly of an important central body like the Federation of Indian Chambers of Commerce and Industry meet the Ministers and senior officials in order to discuss in an informal manner major decisions or proposals of Government. The Planning Commission, in the process of formulation of the Plan, holds a series of discussions with persons representing particular industries in order to decide upon the various targets for the Plan period. In general, therefore, it would seem that considerable opportunities already exist for frequent consultation between Government and business.

There is, however, no denying the fact that even now a feeling exists that the liaison between the two is not as good as it ought to be. This is partly a result of the political and social climate in the country and of the temper of the legislature. There is need, on the one hand, for Industry and Business to develop better public relations in the broad sense of the term and, on the other, for Government to strengthen the existing consultative machinery, mainly by giving greater weight to the opinions expressed at the consultation stage. Of course, there can be no hard and fast rule about these matters but there is a feeling, to some extent justified, that Government decisions remain largely unaffected by the weight of opinion expressed at the various Advisory Councils. There is also the criticism that there is little follow-up action on the suggestions made or even on the decisions taken. If consultation is to be real and fruitful, it is very necessary that those who are consulted are made to feel that the consensus of opinion in the particular Committee will depend upon a frank exchange of views, that the division of opinion will not be on the basis of pre-conceived judgments or conclusions and that the decisions taken will by and large be implemented by Government.

There is another question which needs further consideration. Business is represented on various Committees and Councils either by persons in their individual capacity or as representatives of particular trade or industrial Associations or Chambers of Commerce. There is much to be

said in favour of either of these two forms of representation. While it may be desirable to have eminent people associated with the work of a Committee, even though they may not hold any position in the Chambers of Commerce, there is a good reason to give representation to the organisations concerned. In particular, representatives of organisations have better opportunities for and are more likely to represent the opinion of the trade, and similarly on account of better secretarial assistance they are often in a position to follow up the discussions or the decisions in a more sustained manner. On the other hand, anyone representing an organisation is more likely to stick to a particular position rather than a person who can commit no one but himself. Probably, a combination of both the methods, as in the case of the Import and Export Advisory Councils or the Central Advisory Councils, is the more practicable solution.

Another important problem which requires urgent attention is the association of representatives of the medium and the small industries and business with the consultative machinery at various levels. The regulation and control of economic activity impinges more directly on the small and medium entrepreneurs who do not have the same command as the larger concerns over the services of experts like lawyers, accountants, etc. One of the ways in which closer liaison between Government and small business can be maintained is *by establishing offices where the small businessman will get information and clarification regarding his responsibilities under the different legislative measures*. Another way would be to establish Regional Councils which are addressed by Ministers and senior officials at regular intervals, partly to explain Government policy and partly to enable these officials to keep in touch with the opinions of small men. It would also be a useful method of contact if officials in charge of a Department, such as the Company Law Administration, make it a practice to meet groups and associations of businessmen in an informal manner to understand their grievances and explain the content of the legislation or the method and procedure of its actual implementation.

A factor which frequently causes difficulty between Government and the Private Sector is the fact that the implementation of the regulatory policies and measures has to be left in the hands of civil servants who, because of their different training, background and outlook, frequently fail to

understand or appreciate the *practical* difficulties of the businessmen. Indeed, it would not be an exaggeration to say that they sometimes do not even understand each other's language. In a country like the U.S.A. where there is a much larger interchange of personnel between government and private industry, this difficulty does not seem to be of the same importance as in a country like India. Any steps taken to promote better mutual understanding by the civil servants and businessmen, of each other's practical problems and difficulties, would help in the successful attainment of planned economy. One way could be to arrange for a deliberate plan of deputing civil servants for a period of 2 to 3 years to work and get first-hand experience in private industry and business, in exchange for businessmen deputed for similar work in government. Another method would be to bring together persons drawn from public administration and business management for joint courses of training in institutions like the Administrative Staff College at Henley in the U.K., where they live together for several months and engage in jointly studying and finding solutions for several problems. The Institute of Public Administration can also contribute to the process of promoting closer understanding between the "regulators" and the "regulated" by arranging suitable lectures and seminars and group studies. Ultimately, the success of our experiment in planned economy which relies both on the private and public sectors will depend considerably on the extent to which we succeed in making the two sectors work in harmony with each other.

Indian Airlines Corporation

Shankar Prasada

CIVIL air transport in India dates back to 1932 when Tata Sons and Indian National Airways began operations with light single-engined aircraft for the carriage of mail. The industry later expanded under the stimulus provided by Government in 1938 under the Empire Airmail Scheme and secured bigger aircraft to operate to greater frequencies. Soon after, the World War came and altered the situation drastically. Both the companies had to operate in support of the Air Force Transport Command, with their fleet of aircraft strengthened by lend-lease equipment. The result was that at the end of the War, the air services in India operated with advanced types of aircraft on a daily frequency basis and linked up most of the important administrative centres. The volume of traffic both passenger and freight continued to increase and, at the same time, a large number of twin-engined Dakotas which had proved their worth under trying conditions became available from war-surplus disposals at very low prices. In the general optimistic atmosphere, a number of airline companies came to be promoted and succeeded in securing licences for commercial operations from the Air Transport Licensing Board.

Though the airline companies did much pioneering work in developing traffic, the laws of economics could not be circumvented. The companies continued to suffer all the time from serious financial embarrassment. Some of them were forced to go into liquidation and the others started pressing for financial assistance from Government which was later given in the form of a partial rebate of excise duty on aviation spirit. At the same time, the Government of India appointed a Committee presided over by the late Mr. Justice Rajadhyaksha to examine the working of the airlines and make recommendations regarding the measures to be taken to put the industry on a stable basis. The main conclusion of the Committee was that the number of operating units in the country was much greater than that required for the volume of business available. It also found the costs of most of the

companies excessive, and worked out certain standard costs of operation as a guide to the future. Subject to some administrative reorganisation and a reduction in costs, the Committee recommended that the system of operation of airlines by private enterprise might be allowed to continue.

The financial position of the companies, however, continued to deteriorate and it became progressively clear that the industry would not only require to be subsidized in an ever-increasing measure, but would also be unable to mobilise adequate resources for undertaking urgent prospective development. The companies were not in a position to raise funds in the open market and suggested that most of the finance should come from the Government in the form of loans on a nominal rate of interest without any early prospects of repayment. Taking all this into account, the Government came to the conclusion that all the units of operation should be owned by the State. The Minister for Communications, introducing the Bill for the establishment of Air Corporations, summed up the reasons for nationalisation as follows :

- “(a) The available resources in equipment, workshop capacity, technical personnel, etc., could be used to the maximum advantage.
- (b) From the point of view of Defence requirements, operation of all air services by a State organisation would obviously be the most desirable arrangement as, in an emergency, it would be easier to make arrangements for meeting the requirements of the Defence Services.
- (c) There is the important factor that air transport is a public utility and ought to be developed in the national interest, unhampered by the paramount necessity of making a profit, which would be the ever-riding consideration in private enterprise.
- (d) A State organisation would also be able to plan the future of the industry in a more comprehensive way. Rapid developments are taking place in the technique of civil air transport and only a State organisation would be large enough and have the resources to take full advantage of such technical developments.”

The Air Corporations Act 1953, came into force on the 28th May, 1953. It provided for the setting up of two Corporations, one for the operation of long distance international air services and the other for domestic services and services to neighbouring countries. In order to ensure a smooth change-over, it was decided that the two Corporations

should take over the existing companies as going concerns with their assets and liabilities in accordance with the provisions of the Act. All personnel of the air companies, with the exception of the directors, managing agents, etc., were to be taken over, and given their existing terms of service till they were duly altered by the Corporation. Each of the two Corporations was to consist of a Chairman and not less than four and not more than eight members to be appointed by the Government of India and was given full authority and responsibility for the management of their affairs, subject only to directives, if any, issued by Government on important matters in national interest. The Corporations were further required to submit to Government in advance their annual programme of operations with financial estimates, etc. Their accounts were made subject to audit by the Comptroller and Auditor General. The Act also provided for the establishment of an Air Transport Council to tender advice on such matters of public importance as might be referred to it by Government or either of the Corporations, an Advisory Committee for the purpose of maintaining liaison with the public and a Labour Relations Committee composed of an equal number of representatives of management to be nominated by the Corporation and of employees to be elected by them. Finally, the Act provided that each of the Corporations was to 'act so far as may be on business principles', which has been interpreted to mean that its obligations as a public utility are reconciled with those of a business organisation and that it should not become a burden on the general taxpayer.

The two Corporations, viz., Indian Airlines Corporation and Air-India International, came into formal existence on the 15th June, 1953. On the 1st August, 1953, the Air-India International took over the business of Air-India International Ltd., while the Indian Airlines Corporation took over as a going concern the assets, liabilities and business of eight units, namely, Airways (India) Ltd., the Himalayan Aviation Ltd., the Kalinga Airlines, the Bharat Airways Ltd., Air-India Ltd., Air Services of India Ltd., Deccan Airways Ltd., and Indian National Airways Ltd.

To ensure co-ordination between the two Corporations the Act specifically lays down that it shall be "the duty of each of the Corporations to enter into consultations with the other in matters of common interest.. and generally in regard to ensuring fullest co-operation and co-ordination

in respect of all such matters". To facilitate uniformity of approach special care has been taken in determining the actual composition of the "Boards" of the two Corporations. The Chairman of each of the Corporations is a member of the other; and several other members, e.g., Secretary, Communications Ministry, Secretary, Finance Ministry, the Director-General of Civil Aviation and the Chief of the Air Staff are common to both. The other members are drawn from prominent persons in public life, with experience in the fields of management and labour.

II

It was evident from the very beginning that apart from the teething troubles arising out of a switch-over from one form of management to another, many other administrative and technical problems would have to be faced by the Indian Airlines Corporation in the early stages of reorganisation. The latter arose largely from the fact that the Corporation inherited the business of eight Airline companies, taking over not only their assets and liabilities, but also their different systems of accounts, costs and statistics, varying methods of production and organisation, wide disparity in the wage structure and lack of uniformity in conditions of employment. This added urgency to the problem of integration and rationalisation designed to secure effective management through uniformity in matters of policy, programme and procedure.

The first step taken in the early months of nationalisation was to introduce as an interim measure a regional type of administration to achieve a minimum of uniformity in the working of those units which were located at the same "Bases". It gave rise to the Line system of administration which meant operating each system of routes on the pattern inherited from the companies as a result of which the four units based in Calcutta, two in Bombay and one each in Delhi and Hyderabad came under the control of Resident Representatives, who in their turn were made responsible to two Regional Representatives, one for operations in the North and the other for operations in the South. Thus the pattern of administration till March 1954, centred round the Chairman, assisted by a Technical Adviser and a Secretary at the Headquarters and two Regional and three Resident Representatives at the 'Bases'. At this stage, however, despite common management under a number of administrative heads, there was no real merger and

each one of the units continued to function as a separate business entity.

The Corporation had earlier appointed a number of Committees to study in detail the problems concerning integration and rationalisation of the airlines. The route pattern inherited from the days of competitive economy had become outmoded and required revision. A reorganisation of operational and engineering bases, necessary in any case, became all the more urgent with the transfer of Air India workshops at Bombay to Air-India International and the reallocation of the workload. The operational Base at Hyderabad rendered superfluous by a shift in emphasis to Madras had to be disbanded. Other supporting services had to be reorganised and the procedure for the procurement of stores and supplies standardised. Traffic and Sales arrangements had to be readjusted to promote a free and quicker flow of business between the various units in India and abroad, based on a uniform system of documentation. The fare structure evolved at a time of unhealthy competition between the various operators could no longer be sustained. Above all, detailed rules and regulations laying down operational procedures had to be formulated and a training scheme laid down for the initiation of the personnel into the new processes.

Most important among the committees set up to study the above problems was a Technical Committee composed of senior executives which made its recommendations within a few months of nationalisation. An "Accounts and Finance" Committee, presided over by Shri N. Dandekar, I.C.S. (Retd.) and consisting of a representative of the Ministry of Finance was entrusted with the task of evolving appropriate procedures and accounting routines for effecting the financial integration of the airlines, the establishment of an internal audit organisation and suitable budgetary control to meet the requirements of public accountability. A "Services Committee" consisting of Shri Justice Puranik and Shri S.B. Bapat, I.C.S., was formed to make recommendations on the rationalisation of pay scales for the different categories of personnel and the formulation of a suitable wage structure and common service conditions in the matter of leave, holidays, bonus, provident fund, gratuity, etc. As the recommendations of the three main Committees became available, they had to be examined in the broader context

and related to each other. The recommendations of the Services Committee, in particular, could not be finalised without consultation with the representative groups of employees and trade unions who had in the meantime consolidated their position considerably. Faced with such a situation, the management constituted departmental Committees so that after due examination, the more emergent problems received prior attention.

The question of a suitable organisation pattern for the Corporation also came up for consideration almost immediately after nationalisation. It was realized that the "Line System", *i.e.*, the continuation of each of the old airlines as a self-contained operating unit of administration, should yield place as early as possible to an integrated set-up, with unified control over all branches of administration. It was accordingly decided in April 1954 to set up a Headquarters organisation consisting of a number of Departmental Heads such as Financial Comptroller, Chief Operations Manager, Engineering Manager, Chief Traffic Manager, Chief Controller of Stores and Chief Personnel Officer. The entire territory was divided into three administrative-cum-operational-cum-traffic zones, purely for convenience of physical management and not as self-contained units of business. Corresponding staff positions of responsibility were created at the three main bases, namely, Calcutta, Delhi and Bombay and each of these Areas was placed under the overall administrative control of an Area Manager who was made responsible functionally to the Departmental Heads at the Headquarters and through them to the Chairman.

From the beginning, a wide margin of authority had necessarily to be delegated by the Corporation to its principal executives subject to important decisions being reported for confirmation at subsequent meetings of the Board. The position was eventually consolidated by the framing of detailed regulations defining the scope of authority at all levels, on the assumption that the Areas should enjoy a certain measure of independence in the matter of operations, traffic, finance, accounts and personnel management. The Engineering and Stores and the attendant functions of workshop administration and control together with stores purchases and cost accounting were, however, treated as an entirely independent service catering to the needs of all Traffic-cum-operating units and subordinate to none of them. Thus except as

regards the maintenance side of Engineering, the administrative and technical control as well as accounting and financing of engineering bases was made independent of regional administration and centralised with an Engineering Manager at Headquarters acting where necessary in consultation with the Financial Comptroller.

The present organisational lay-out of the Corporation is shown in the chart opposite. The Audit Officer at each Base is independent of the Area Manager and responsible through the Chief Audit Officer to the Financial Comptroller. In financial matters, differences between the Area Manager and the Local Accounts Officer have to be referred to the Financial Comptroller. At the Headquarters, the Chairman acts in consultation with the Financial Comptroller and has powers to over-rule him subject to subsequent ratification by the Board.

As soon as the broad principles of organisation had been laid down, it became necessary to fill the principal staff positions of responsibility. The choice was, however, not made easy by rival and unresolved claims of seniority between the personnel drawn from a number of airlines. *Ad hoc* decisions on the basis of the data available had to be taken, but an assurance was given that suitable adjustments would be made subsequently in the light of the principles evolved by the Services Committee. Such an arrangement, however, carried inevitably an element of uncertainty in the beginning and did much to hamper progress in the early stages.

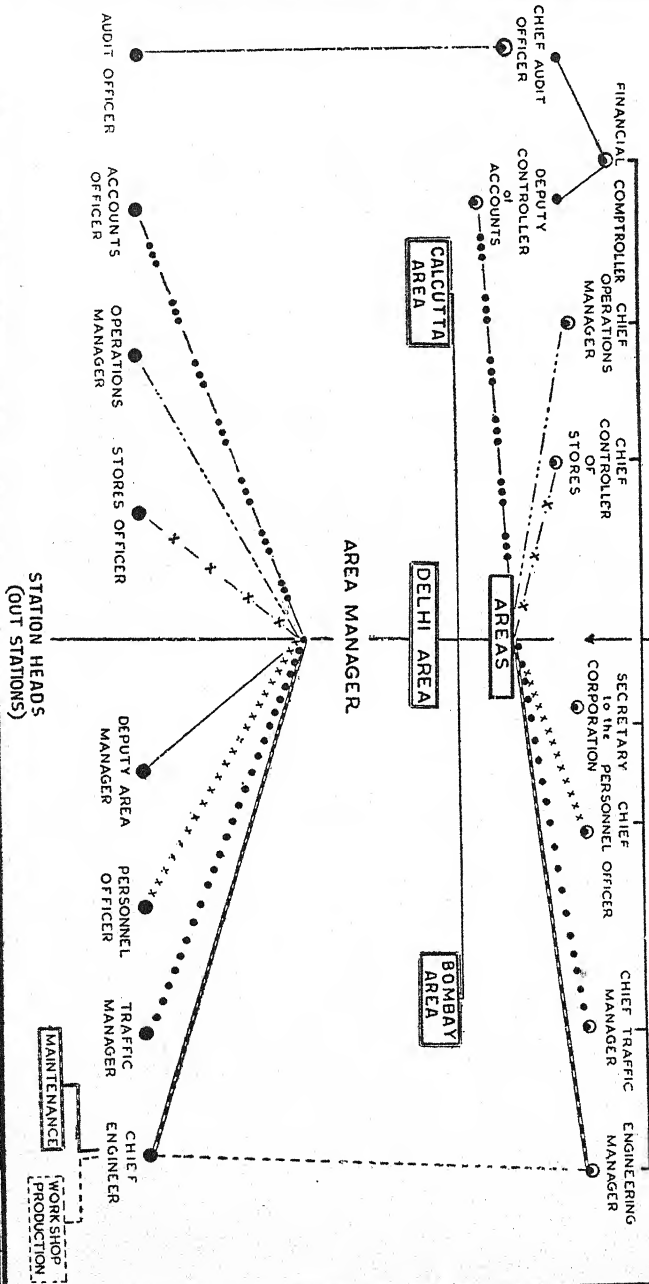
III

Some account may now be given of the major technical and administrative problems which the I.A.C. had to face. On the operational side, while the magnitude of flying grew, there were serious depletions in the cadre of pilots for various reasons but largely owing to the demand for their services in the sister Corporation which was in a similar phase of expansion. This resulted in a serious shortage of Commanders which had to be made good speedily. Training had been considerably neglected in the past as the equipment required for it was expensive and the private operators could not afford much non-revenue flying. The new management, therefore, secured a competent Instructor from a foreign airline to train pilot instructors in the country and to

OF THE INDIAN AIRLINES CORPORATION



CHAIRMAN
HEAD QUARTERS
ORGANISATION



standardise flying procedures. More modern aircraft which are on order would require highly specialised attention and training schemes for orienting flying personnel suitably had to be launched without delay.

In the Engineering Branch, the problem of reorganisation was even more difficult and complicated. The main workshops of the I.A.C. were situated in Delhi, Calcutta, Bombay and Hyderabad. It was decided that the overhaul workshops at Bombay should be transferred to the Air-India International with the result that the workload had to be re-distributed and new workshop capacity built and skilled labour trained for the purpose at Delhi and Hyderabad. Overhaul of Viking aircraft and engines had to be shifted entirely from Bombay to Delhi. Further, the workshop equipment owned by a number of airlines in Calcutta had to be dismantled and moved into a row of contiguous hangars. Current production had to be speeded up in the midst of reorganisation, as owing to uncertainty about the terms of compensation a number of operators had adopted the policy of carrying out only the minimum of work consistent with maintaining the airworthiness of aircraft. The cabin interiors and upholstery in some cases had reached the limits of deterioration. More serious was the position in regard to spares. Months before nationalisation, the companies had stopped ordering on a long term basis and purchased just enough to keep the aircraft flying. Consequently at a time when action had to be taken to determine, classify and consolidate the holdings of individual operators and to move stores from surplus to deficit areas in accordance with the redistribution of workload, steps had also to be taken to process new indents as quickly as possible as deliveries take long to materialise in respect of aircraft not in current production.

On the Traffic side, a number of booking offices had to be amalgamated and the premises renovated. The whole system of booking agents had to be revised and new inter-line agreements with foreign operators negotiated. All these measures, however, hinged upon early financial integration as first step, without which administrative reorganisation could not keep pace. The new method of book-keeping as well as the forms in which all traffic, operations and engineering documents had to be maintained were the first to be finalised and introduced. After this, uniform and detailed

procedures for audit, costing and statistics were devised and it was only at this stage that the management relying upon scientifically distilled data could deal with the problems bearing on the economy of administration. These branches were subsequently merged into an Economics Division which now plays an active role in policy making and administration.

Of all the administrative problems, however, which the I.A.C. had to face, the most important was the integration of the personnel and introduction of revised service conditions. The Services Committee made a careful study of the pre-nationalisation practice in the several companies, of the present practice in private industry and governmental and semi-governmental organisations, and of the views placed before it by different individuals and groups on behalf of the employees. An opportunity was also given to all the interests concerned to tender written and oral evidence. The study revealed wide variations in service conditions of individuals and classes of employees. It was found that the companies had not followed any clear-cut principles or policies. The prevailing rates of salaries and wages and terms of service were the result of *ad hoc* adjustments to the pressure of supply and demand, modified in some instances by the awards of Labour Tribunals or agreements secured by organised labour. The aviation industry being both a production and a sales organisation and catering to the needs of a passenger on a scale larger than the Railways, employed a considerable variety of occupational labour for which uniform standards were not easy to determine.

With the taking over of the air companies by the Corporation, groups of employees formerly working apart and now alongside naturally began to compare and contrast varying standards of remuneration. This led to considerable discontent and loss of morale. When the report of the Services Committee was released, its recommendations were immediately seized upon by the Unions as the minimum bargaining counter and a noticeable tendency developed to secure an extension of the most favourable terms in any company to all others, to eliminate the less favourable features irrespective of their bearing on the terms of employment as a whole and to claim at the same time benefits normally admissible to Government servants. In such an atmosphere, the negotiations had naturally to be prolonged and the

basic recommendations of the Committee were accepted only after certain adjustments, arrived at on a basis of compromise.

A major factor which is, however, still an irritant is the gradation of the employees. The Committee had recommended that the assignment of an existing employee to one or the other of the new grades should depend primarily on his qualifications, experience and suitability, but it was not easy in practice to evolve yardsticks which would satisfactorily dispose of individual claims exceeding eight thousand in number. Each case had to be studied in detail on the basis of information collected from the employees and cross-checked with the personnel records of the former companies which in many cases were neither upto date nor reliable. The initial categorisation was made by a Committee consisting of the Chairman, Mr. Justice Puranik and Shri L.C. Jain, Director-General, Civil Aviation, assisted by a number of departmental committees. A general review had, however, to be undertaken later *twice* to dispose of the appeals. Even now the process is not over and a third "anomalies" Committee is busy reviewing the latest batch of representations.

Another important factor which held up rationalisation was the reluctance of the employees to face transfers from one station to another. Integration with resultant changes in workload required a reallocation of manpower at various stations, especially in respect of engineering and operations, as there were surpluses in certain categories and shortage in others. Since retrenchment was largely ruled out of consideration, necessary adjustment had to be made after patient negotiations, but it cannot be said that the process of rationalisation has been as thorough as it should have been.

IV

Much attention has been focussed recently on the present and future financial prospects of the Corporation. It is noteworthy that the financial position of the various integrating airlines differed considerably and all but a few were running at a loss despite substantial subsidies on aviation spirit totalling about Rs. 52 lakhs per year. The Corporation, therefore, inherited a group of financially unhealthy concerns and many other factors added to its burden, such as arrears of overhaul, shortage of tools and equipment, deplorable

condition of surface transport, certain unbusiness-like investments, very high emoluments in certain cases and abnormal pay increases awarded by some airlines on the event of nationalisation, sums shown as liability on account of depreciation in the Balance Sheet without corresponding assets on the other side, substantial surpluses in stores not likely to be consumed for years and serious shortages in those much in demand. Further, the directors of some airline companies had financial interests in other companies also and profit and loss transactions had sometimes been transferred from an airline company to its associate organisations when considered expedient. In the circumstances, it was not easy to carry out an accurate assessment of the assets and liabilities.

Nevertheless, an examination of the financial working of the airlines revealed that the aggregate loss for 1952—the year immediately preceding nationalisation—should have been shown as about Rs. 75 lakhs. Comparing the results of the two twelve-monthly periods of pre and post-nationalisation for which complete statistics are available, viz., the calendar year 1952 and the financial year 1954-55, the position was that the Corporation suffered a total loss of Rs. 95.73 lakhs, *i.e.*, Rs. 20.73 lakhs more. These losses were not primarily due to the operational shortcomings of the Corporation, but mainly the result of factors not directly connected with operations, but incidental to the process of reorganisation, rationalisation and development.

It is difficult to make a forecast about the future, but the financial position is not likely to be any the easier for a number of years. A major contributory factor is the rise in the wage bill which has gone up by about Rs. 60 lakhs. The Corporation has also to increase the size of its fleet to meet the growing requirements of traffic. It has already purchased 8 Herons and a 14-seater four-engined aircraft for operations on new routes as well as three Skymasters for operating the night airmail in conjunction with the three others in stock whose engines had to be modified. This involved an expenditure of over Rs. 2.5 crores which must be depreciated over a short period of 8 to 10 years. Further, more modern equipment is on order. Five Viscounts are likely to be delivered next year and the Second Five Year Plan provides for the replacement of Dakotas and purchase of more Viscounts. The costs of replacement of equipment are so

high these days that the entire fleet of 70 Dakotas is worthless than two Viscounts. Ancilliary equipment equally expensive has to be procured and thorough-going training schemes undertaken. This additional expenditure may be balanced partly by increased earnings, as has already happened in 1955-56, but it would be too much to expect that the gap would be wiped off altogether.

In the case of domestic operations, it would be interesting to note that fuel costs alone account for nearly 40% of the costs of operation unlike 10 to 15% in most other countries. Fuel in India is expensive and the Corporation has to pay a heavy fiscal duty on aviation spirit. The Air-India International as an international operator is, however, exempt from such a duty. Furthermore the passenger rate per mile charged is nearly half the international rate owing to lower purchasing power in India and keen competition with Railways whose fare structure is one of the lowest in the world. It must also be emphasised that most of the airlines in other countries receive a subsidy in some form or the other whereas the I.A.C. has lost the rebate on petrol duty and is contributing today by way of taxes nearly Rs. 1 crore a year on its present scale of operations. If allowance is made for these factors and for the rising volume of traffic, the financial prospects for the industry would not appear to be as gloomy as is sometimes made out.

V

This account would not be complete without a reference to the principles on which compensation was worked out as a result of statutory acquisition of the air companies. One method would have been to pay compensation on the basis of the average market value of the shares as quoted in the open market. This was not found feasible and the other method of compensation on the basis of the valuation of the assets of each company after making due allowance for liabilities was adopted. The general principles on which the valuation of the assets was to be made were embodied in a schedule to the Air Corporations Act, and depreciation on the cost which a company incurred when it acquired a particular asset was deducted mainly on the basis of the provisions in the Income-tax Act. An exception was made in the case of aircraft which are a special category of property as they are renewed every year under a certificate of airworthiness.

Settlement of compensation was to be by negotiation, but provision was made for adjudication of disputes by a special tribunal. A team of experienced accountants was made available by the I.A.C. for the purpose of assessment, determination and offer of compensation. The task proved highly laborious and took over 18 months to complete when the issue of bonds was handed over to the State Bank.

During the course of the valuation, a few disputes arose which were referred to a special tribunal presided over by the ex-Chief Justice of India. A number of shortcomings in the Act came to light. An important omission discovered was the absence of a clause limiting compensation to the extent that the liabilities were covered by the assets. Although compensation was to be paid by deducting liabilities from assets, all declared liabilities vested in the Corporation by another clause of the Act. The result was that while an air company whose total liabilities exceeded its assets did not get any compensation, the creditors declared by it became the creditors of the Corporation and had to be satisfied all the same. The Act further gave the companies an unfettered right to restrict the declaration of their liabilities without an option to the Corporation to demand a further declaration of even legitimate debts omitted to be so declared. This not only left the creditors at the mercy of the companies, but led to partial repudiation of contingent liabilities on account of leave, gratuity etc. payable to the employees under the company rules. Again, certain *sections* of the Act gave the Corporation wide powers to disclaim and challenge agreements and cases of declaration of assets, but these in actual practice proved illusory. Significant phrases in the *sections*, such as 'not reasonably necessary for the purposes of the Act', 'made with an unreasonable lack of prudence', 'regard being had to the circumstances of the time', made it extremely difficult for the Corporation to challenge any transactions. There were other minor discrepancies but the arrangement worked on the whole and a settlement in all the cases was finally arrived at by patient negotiations on both the sides.

VI

From the foregoing account it would appear that the most important problem facing the I.A.C. was integration of the air companies and till this had been achieved, it was not possible to

introduce rationalisation, fix costs and develop revenue. The term 'integration' covered a multitude of processes whose ramifications extended to a series of inter-connected departments. The administrative problems concerning integration of personnel, workshops, stores, etc. and standardisation of procedures in the matter of operations, accounts, costing, statistics etc. were real enough, but even more difficult to overcome were the psychological barriers rooted in past association which continued to divide the ranks of the old executives. The 'line' mentality persisted for a long time, as it does even now to some extent, giving rise to a feeling of 'tribalism', as a result of which loyalties moved around in narrow grooves. It was customary in the past for new enterprises to draw the primary nucleus of their staff from the older operators by highly competitive methods and now that the entire personnel is under one umbrella, the memories of the past smoulder and occasionally cast their shadow on the working of the I.A.C. It is, however, expected that with standardisation of wages and conditions of service and greater stability of tenure, a broader outlook would, in due course, be built up for the betterment of the I.A.C. as a whole.

The Corporation will in another few months complete nearly three years of its existence. It may be somewhat premature to comment on the results of nationalisation, but there are indications that the expectations of Government and the public have not been belied in the matter. The initial difficulties arose from the acquisition and integration of a number of units accustomed to diverse methods of working. The time-lag between the decision to nationalise and the actual legislation by Parliament created conditions in which many unhealthy practices crept in. An inevitable element of uncertainty concerning the final terms of compensation resulted in some loss of interest on the part of the old operators and weakened their sense of public responsibility in standards of performance. It naturally took time to counter-act the retarding influence of these and other factors, but once this phase was over, it became possible to devote greater attention to the consolidation of the present and the building up of the future.

Many significant steps involving capital expenditure on a scale which was beyond the resources of the private operators have already been taken, such as, the modernisation of fleet and workshop equipment, renovation of booking

offices and improved passenger amenities. Far greater attention is now paid to training of personnel, especially pilots and aircraft maintenance engineers, many of whom are now regularly sent abroad for advanced training. The public utility aspect is kept prominently in view. The Corporation opened up not only some new experimental routes and improved the night airmail services, but also rendered useful public service in areas affected by natural calamities. The working conditions of the employees have been improved considerably and the bulk of the benefit has gone to those in lower income groups. There is also growing evidence of increased output and a higher sense of responsibility.

It is also a matter of gratification that the entire personnel from the highest to the lowest is Indian and that the Corporation has been able to render useful technical assistance to some neighbouring countries, when so required. All this involved additional expenditure, but the burden on the general tax-payer has not been very heavy as the operational losses are well within the figure originally foreseen by Government.

A great deal, however, yet remains to be done and much capital expenditure and careful planning would be necessary for the purpose. Aviation industry the world over is in a fast stage of development and equipment and technical processes often become outmoded long before the capital investment has a chance of getting amortized. In the circumstances, it is not easy to keep abreast of all the changes that take place. Nevertheless, there is no doubt that Aviation has a great future in India and an important role to play in future Five Year Plans. It is to be hoped that such a role will be assigned to it and funds continued to be made available for the expansion of its fleet and engineering facilities.

People's Councils in Bulgaria

Dimo Stanchev

THE People's Councils in Bulgaria are representative and sovereign organs of state power. They are elective institutions of the working people in the towns and villages, designed to secure in the best possible way the latter's participation in the government and to afford ample opportunities for their creative energy, for their immense organisational and constructive potentialities.

The People's Councils have been established under the Constitution of Bulgaria and the details of their organisation and tasks are regulated by the People's Councils Act.

The system of People's Councils in Bulgaria is in full conformity with the country's administrative and territorial organisation. In the People's Republic of Bulgaria the following kinds of People's Councils exist today—village, city, county and district. They can be classified as follows : municipal, county and district. The class of a district council depends upon the type of the administrative unit in which it functions. In accordance with the place where they are situated, the municipalities have City or Village People's Councils, the counties have—County People's Councils and the districts—District People's Councils.

The People's Councils of all classes are elected, directly in the constituencies on the basis of universal, equal and direct suffrage by a secret ballot. The number of councillors of the various People's Councils depends on the number of citizens in the territory of the Council and the ratio of the councillors to the population varies with the "class" of the Council. In the Village People's Councils the number of councillors ranges from 11 to 35; in the counties from 25 to 80, in the district from 70 to 150 and in the cities from 21 to 101. Every Bulgarian citizen who is eligible to vote and is over the age of 18, irrespective of sex, religion, education, social status, race and national origin, may be elected a councillor. Each constituency elects one representative. The

councillors are obliged to keep in touch with their electorate and to report to them regularly. A councillor who has not justified the confidence of his electors, may be recalled any moment. All the People's Councils are elected for a term of three years.

The Councils discuss the tasks set before them at their sessions and decide how they are to be tackled. The sessions are either regular or extraordinary. The regular sessions are compulsory and take place at intervals established by the law (once every three months for the district People's Councils, once every two months in the counties and once a month in the villages). The extraordinary sessions are held whenever found necessary. The sittings of the sessions are considered legal provided that they are attended by two-thirds of the councillors and are open to the public. Any citizen can be present, ask questions, speak, criticise or make proposals. The People's Councils are legally bound to report on their activities at meetings of their electorates at least once a year in the districts and at least twice a year in the municipalities.

II

The People's Councils set up executive committees which are elected from among the councillors, and consist of a chairman, vice-chairman, secretary and members. Their exact composition depends upon the number of citizens in the territory of the People's Council concerned. At the larger People's Councils there may be two to five vice-chairmen and three to ten members.

The executive committees administer the economic, public health and educational affairs of the Council in accordance with its decisions and the orders and decrees of the higher state organs, and in full conformity with the law. They also direct, assist and control the activity of the executive committees of the lower People's Councils. In order that the executive committees may carry out their varied activities in the different branches of government, special departments, offices and services are set up, as for instance in communal economy and town planning, rural economy, trade, local industries and the crafts, education, finance, etc. The People's Council distributes the management of the departments, offices and services among the chairman, vice-chairmen and the secretary of the executive committee.

In fulfilling their tasks as genuine representative organs, the People's Councils rely upon the large-scale participation of the people through their political, professional and popular organisations. For enlisting such wide public co-operation, the Councils have established permanent commissions which include representatives of the various organisations. Separate commissions have been set up for subjects like agriculture, education, public health, finance, communal economy, town planning, etc. These permanent commissions are auxiliary bodies. They consist of a chairman and from two to ten members. With the help of the public, the Fatherland Front and other popular organisations, a large number of "activists" is drawn into their work, with whose assistance thousands of working people contribute their experience and efforts to the prompt and successful solution of the tasks of the Councils. In the work of the 12 thousand permanent commissions which were set up during the second term of the People's Councils, about 360 thousand electors were drawn into it as "activists". The permanent commissions see to it that the work in their sectors is carried out well, they investigate the proposals and requests of the population, report on them to the Council and suggest measures for putting them into effect. At the sessions they read co-reports on topical questions, take part in formulating decisions, and help to put them into practice as well as the decisions of the higher people's councils and state organs.

III

The People's Councils settle all issues of local importance and carry out tasks of national importance. They are in charge of town planning and public health. At the moment 97.8 per cent. of the functioning health institutions in the country are on the budget of the People's Councils. The People's Councils also guide the work of the cultural institutions in their territory ; they see to physical education, particularly among the younger generation.

The Councils further look after the mechanisation of agriculture and supervise the work of the machine and tractor stations where the majority of farm machines are concentrated. They have done a great deal of explanatory work so as to persuade the private farmers to join the co-operatives and to give energetical assistance in the work of organising and economically strengthening the co-operative farms.

The supervision of local industry is altogether entrusted to the People's Councils. The Councils have managed to organise and are in charge of 126 industrial enterprises covering over 4,000 workshops which produce various items. They direct and control the development of trade along the lines of people's democracy, of supplying the working people with consumer goods, of extending the trade network and increasing the assortment of goods. They guide the work of the craftsmen, organise and run enterprises for communal transport and for various communal public services. They ensure that state property in their territory is properly managed and supervise and assist the correct course of work in the enterprises of nationwide importance.

To conclude, by maintaining constant contact with the large masses of people, whose assistance and initiative they utilise, the People's Councils have, in their six years' existence, done a great deal in the struggle for the fulfilment of the state economic plans for the country's socialist industrialisation, the socialist reconstruction of agriculture and the satisfaction of the working people's needs in the spheres of public health, everyday life and culture.

".....however much people may complain about the "evils of bureaucracy", it would be sheer illusion to think for a moment that continuous administrative work can be carried out in any field except by means of officials working in offices. The whole pattern of everyday life is cut to fit this framework. For bureaucratic administration is, other things being equal, always, from a formal, technical point of view, the most rational type. For the needs of mass administration to-day, it is completely indispensable. The choice is only that between bureaucracy and dilettantism in the field of administration."

—MAX WEBER

(in *'Theory of Social and Economic Organisation'*)

Public Service Commissions—An Indian Approach

S. B. Bapat

IT is a universally accepted principle of democratic government that there should be some organ or authority (variously called as 'Civil Service Commission', 'Public Service Commission', 'Public Service Board', etc.) independent of the political executive, to deal with recruitment and management of public services. The basic intention is to ensure equality of opportunity and treatment for all citizens and guard against the evil effects of nepotism or favouritism. In actual practice, however, there are wide variations in different countries in regard to the powers and functions of such authorities and the extent to which they play the executive or advisory roles.

Without attempting anything in the nature of a comparative study, it is proposed in this brief note to indicate how the problem has been approached in India and to bring out the important and interesting features of the solutions adopted.

II

India is a union of States and as in other federal structures, there is a Union Government and a separate Government for each constituent State. The Central Government has its own public services, distinct from the public services of the different States and correspondingly there is a Union Public Service Commission for the Centre and separate State Public Service Commissions for the States. The provisions relating to these bodies are contained in Part XIV of the Constitution of India which is entitled "Services under the Union and the States". Some of the provisions are almost verbatim reproductions of corresponding provisions of the Government of India Act, 1935 in force in the pre-independence days. The framers of the Constitution of India have, however, introduced some extremely important additions and modifications which for the first time truly emphasize and ensure the independence of the Public Service Commissions, and the

ultimate authority of the legislature over the relationship between the Commissions and the Executive Governments.

Worthy of special note is the fact that the Public Service Commissions in India have been created by the Indian Constitution itself and not, as in most other countries, by a mere Act of the legislature. The respective powers and functions of the Commissions and the Governments as laid down in India, cannot be amended except by following the very much more difficult procedure prescribed for an amendment of the Constitution. It will not be possible for any Government with only a small majority in Parliament to loosen or shake off the controls provided by the Constitution in favour of the Public Service Commissions.

III

In regard to the composition of the Public Service Commissions, the Indian pattern is so designed as to ensure that in the consideration of matters relating to the public services, sufficient weight will be attached to the view-point of public servants themselves. Thus, although the appointments to the Union Public Service Commission are made by the President and the number of members of the Commission may be fixed by the President according to the requirements from time to time, he is bound under the Constitution to see that at least half the members of that body will be persons who have been themselves in the ranks of public servants for at least 10 years. In fact, in the actual composition of the membership of the Union Public Service Commission, the proportion of "former-public-servants" has been very much larger than the minimum prescribed. Furthermore, though the law is silent on the point, the Central Government as well as State Governments have hitherto taken care to see that none of the appointments made to the Public Service Commissions would give the appearance of being "political appointments". Persons, other than former-civil-servants, selected for appointment to Public Service Commissions have generally been drawn from the ranks of educationists, lawyers and retired judges. A specially interesting feature in India is that some of the members of the Union Public Service Commission are persons who have already served as members of the State Public Service Commissions.

In order to emphasize and ensure the independence of Public Service Commissions, the framers of the Constitution have thought fit to provide that the persons who have been members of the Public Service Commissions would thereafter be debarred from any employment under the Central or State Governments except, in certain circumstances, as members or chairmen of some other public service commissions. The object evidently is to leave no room even for suspicion that the promise or prospect of further employment under the Executive Government might operate or be used to influence the judgment of members of the Public Service Commissions. So far as the writer is aware, such an absolute ban on other employments does not exist in any other country. Even in India, the holders of other comparable high offices such as judges of the High Courts and Supreme Court, the preservation of whose independence from the Executive is equally important, are not debarred from further employment under the Government. Many distinguished foreign observers have pointed out that the prescription of such a ban implies a lack of faith in the integrity of the political leaders who compose the Governments, and also of the persons who are selected for appointment as members of the Public Service Commissions. This point also emerged during the debates in the Constituent Assembly when the relevant provision was under discussion. And it must in a way be accounted to the credit of the framers of the Constitution that they were prepared to introduce so drastic a provision in order to place the independence of the Public Service Commissions beyond a shadow of doubt.

IV

When it came to the definition of powers and functions of the Commissions, however, the framers of the Constitution recognised the ultimate responsibility of the Government of the day for the proper management of public affairs including public services, and they have, therefore, assigned to the Public Service Commissions what is essentially an advisory and consultative rather than executive role. In a parliamentary democracy, the political executive is fully responsible to the legislature for the proper implementation of the policies embodied in the laws passed by the legislature. Such implementation has necessarily to be carried out through the agency of the Public Services. In the last analysis,

therefore, those who are responsible for carrying out any task must be left free to judge the adequacy of the temper and the quality of the tools to be employed in that job. At the same time, it is also necessary that equality of opportunity is assured and to see and demonstrate to all that nepotism and favouritism have no scope. In an effort to balance the ultimate responsibility of Government with the need for an independent consideration of problems relating to recruitment and management of the Public Services, the Constitution of India provides a series of inter-locking safeguards.

The only truly executive function of the Public Service Commissions in India is to conduct examinations for recruitment to the organised Public Services. With regard to the rest, when translated into general terms, the Constitution only requires that the Commission *shall be consulted* (i) on the methods of recruitment and principles to be followed in making appointments to and promotions and transfers within the Public Services; (ii) on the suitability of the candidates for such appointments, promotions and transfers; and (iii) on disciplinary matters affecting public servants.

With such an approach, a number of problems would immediately arise. "Surely there are many posts of such a nature that the responsibility for making appointments should be clearly placed on the shoulders of the Government and it will be inappropriate that Government should be required to consult an outside body in selecting the appointees?" "Will there not also be a large number of low grade posts where recruitment in consultation with the Commission however desirable, might well be impracticable?" "What about cases where eminent persons with high technical qualifications are needed? surely, they are not going to apply and appear for interviews before the Commission?" "And what about the cases when genuine emergency arises and immediate appointment has to be made and there is no time to consult the Commission?" These difficulties were realised even in the pre-independence days and there was at that time a provision in the law enabling the Government to make regulations excluding certain cases or types of cases from the purview of the Commission. But such a provision, in its turn, raises the question : "What will happen if the Government chooses to abuse the powers so to exclude? If such exclusion is freely resorted to, might it not defeat the very object of having Public Service Commissions at all?"

The Constitution-makers, therefore, made a new provision which while retaining the power to exclude makes it incumbent upon the Government to submit the matter to the final judgment of the legislature. The regulations made in this behalf have to be laid before the appropriate legislature and are subject to such amendment as the legislature may make. This effectively curbs any tendency on the part of the Governments to abuse the power to exclude from the purview of the Commission cases on which the Commission ought to be consulted.

V

The basic approach of recognising the ultimate responsibility of Government may give rise to two other questions : (i) if the Commission is merely a consultative body, what guarantee is there that the Government will indeed consult the Commission in all matters in which consultation is necessary; and (ii) what sanction is there that after the Commission has given its advice that advice will in fact be accepted by the Government? The pre-independence provisions were silent on these points. The framers of the Indian Constitution have, however, made specific provision by adopting the device of using the legislature as the ultimate judge of Governments' actions. It is, therefore, provided that the Public Service Commissions shall submit annually a report on their working, that such report shall be laid before the legislature and that in so laying it, the Government of the day shall give an explanation in regard to all cases in which the advice of the Public Service Commission was not accepted. This provision simultaneously ensures that consultation with the Commission is not overlooked, that the advice of the Commission is as a rule accepted, and that the Government are free in cases where they consider the matter of sufficient importance, to follow their own judgment provided they are prepared to justify their action before the legislature.

The Central Government have had to consult the Union Public Service Commission every year on about six thousand cases. How well the constitutional safeguard has worked is

shown by the extremely small number of cases in which the Commission's advice was not accepted.

<i>Year</i>	<i>Total Number of cases in which advice not accepted</i>
1950-51	6
1951-52	2
1952-53	2
1953-54	4
1954-55	1

VI

This brief note deals only with the way the problem was approached and solved by the framers of the Indian Constitution. The system devised by them has now been working for over six years and has, in general, undoubtedly stood the test. But the mere mechanics of conducting a system of such delicate checks and balances and of achieving co-operative understanding between Government departments and agencies on the one hand and the Public Service Commissions on the other, raised other problems. What these problems were and how they have been solved will be the subject of the next article in this series.



“The fine art of executive decision consists in not deciding questions that are not now pertinent, in not deciding prematurely, in not making decision that cannot be made effective, and in not making decisions that others should make.”

—CHESTER I. BARNARD
(in *The Functions of the Executive*)

On Confidential Reports

(One of the most difficult aspects of good personnel management is to devise reliable and workable methods to secure an objective assessment of the qualities and performance of individual public servants of all grades. The problem has been considered on numerous occasions by numerous committees and authorities and many different solutions evolved. By the courtesy of the Government of the Colony of Fiji, we reproduce below an extract from the Report of a Committee set up by that Government in 1955 to consider civil service promotions and allied matters. It consists of a set of notes for the guidance of the officers who write or countersign the confidential reports and of two forms of such reports—one 'Ordinary' and the other 'Special'—a model which may well be universally adopted with such small variations as local conditions require.—Ed.)

I

NOTES FOR REPORTING AND COUNTERSIGNING OFFICERS

1. *Nature and Object of Reports.*—Confidential Reports should be submitted six-monthly for officers on probation and annually for all other officers. They are intended to build up a systematic record of an officer's qualifications and progress and to throw up any weaknesses requiring attention. It is most important, therefore, that they are prepared intelligently, responsibly and conscientiously.

In addition to the Ordinary Report, a Special Report is required on any officer judged to be substantially above or below average; in the former case to provide additional information required when the officer is being considered for promotion, and in the latter to assist towards deciding whether the officer should be re-trained or released.

Reporting and Countersigning Officers must bear in mind that Confidential Reports are important documents which are carefully scrutinized by the appropriate Staff Boards. They are expected to spend sufficient time on preparation of these Reports and must remember they may at any time be required to substantiate or elaborate upon statements made.

It is impossible to judge the personal qualities of people from their work alone so Reports must be based on knowledge of the individual as well as his work. It will often be found that some of the personal qualities cannot be assessed because the officer has had no opportunity to display them in

the course of his duties; in such cases the letter "N.A." (for Not Applicable) should be put against the headings.

Whilst the main object of the Report is to give a fair assessment of the way each officer performs his duties and what special merits or weaknesses are revealed, there are other useful purposes :

- (a) Assisting in placing officers in duties for which they are best suited;
- (b) Giving a picture of the general quality of staff in any section;
- (c) Providing some incentive to good work, and confidence among the staff, in that officers know that they will be reported upon regularly;
- (d) Testing the Reporting Officer's own powers of discernment. His capacity to be objective can be judged partly by the reports he makes on his staff.

2. *Avoidance of Bias.*—The most difficult task of the Reporting Officer is to report objectively. It is an almost impossible ideal to avoid completely the influence of his own personality in his judgment of others but he should endeavour to recognize the factors within himself that may produce bias; of which the following are examples :

- (a) Bias due to personal likes and dislikes;
- (b) Bias due to type of work done. The Reporting Officer may have a special interest in a particular kind of work and may therefore be inclined to give undue credit to a man engaged on it;
- (c) Bias due to a clash of personality. The Reporting Officer's judgment may be affected by his own possession or lack of certain marked characteristics of the officer reported on.

3. *Keeping a level standard.*—This also is not easy to achieve in a field where there are no absolute standards but the attempt must be made to avoid turning geese into swans, or the reverse. There is a general tendency to overgrade out of kindness and to give "the benefit of the doubt" instead of a more strictly accurate assessment. This is particularly

unfair to the colleagues of the officer reported on, who may better deserve the higher marking; also to the senior officers and staff boards who have to work from the reports and who are entitled to expect that broadly comparable people are included in each category. Moreover a Reporting Officer who is thus found to be lax reveals himself as failing in an important responsibility.

In guarding against these tendencies the Reporting Officer should endeavour to check his opinions and standards against those of other reporting officers where this is practicable; he should refrain from undue enthusiasm and excessive caution and he should be careful not to assess merit *solely* by reference to the officer's immediate colleagues.

It is essential that the report should cover the whole year; undue weight should not be given to outstanding merits or startling mistakes made during the few weeks immediately preceding the date of reporting. The keeping of private records of markings by Reporting Officers for purpose of reference when the next report is required is deprecated.

Wherever, as is usual, there is an intermediate supervising officer between the Reporting Officer and the individual who is reported on, the intermediate supervisor must be consulted before a report is completed. The Reporting Officer is, of course, not bound by the supervisor's judgment but he should take it into account as far as is reasonable.

4. *Assessment of qualities.*—The report form makes no provision for the assessment of a factor as "average"; the Reporting Officer must make a definite determination. The assessment should be based upon knowledge of the officer's official work and behaviour; knowledge of his habits and interests outside his official duties should influence the marking only to the extent that they affect the performance of his duties, but this may be an important consideration.

If an officer satisfies reasonable expectations and leaves no room for complaint the appropriate assessment is "good". Above-average for the grade would be assessed as "very good". Exceptional personality, capacity and performance in his grade would merit "outstanding". Wherever "outstanding" or "poor" assessments are given the Reporting Officer should give reasons for the markings. An officer given a "poor" marking should be notified by the Reporting

Officer unless in his opinion such notification would be likely to affect the officer's health adversely or unless the shortcomings have already been notified and it is clear that no useful purpose could be served by repeating it.

The markings should apply to capacity and performance in the officer's present grade; an officer may be quite well marked without necessarily being ready or suitable for promotion.

The general standard of officers in a particular section may be very high or very low, and this average may vary from time to time. The officer being reported on should not be judged only by reference to this standard but in relation to the standard which could reasonably be expected of the grade.

Reporting officers should enter additional comment on the report to explain any extreme markings, to explain any apparent inconsistency in markings, or to mention anything such as physical disability or inexperience.

5. *Assessment for promotion.*—Reporting officers should bear in mind that promotion is not given as a reward for past services but is primarily given in the interests of the work. No one has a prescriptive right to promotion and the fact that an officer does his present job very well does not necessarily mean that he is fitted for promotion nor, even if he is, that there may not be others who are better fitted.

Generally speaking a reporting officer should not recommend an officer as fit for promotion unless he would be perfectly satisfied to retain the officer on his staff in the higher grade.

6. *Adverse Reports.*—There is a natural tendency to avoid giving bad marks, but failure to report truthfully may cause unfairness in promotion and bad relations between members of the staff. Reporting officers should be vigilant and able to recognize any signs of falling quality or quantity of work. They should warn an officer of his deficiencies immediately they are noticed and a formal adverse report should be regarded as a last resort after other measures have failed.

Supervising officers should regard it as a primary responsibility to give personal guidance to staff who show shortcomings and advise and assist them to overcome their

defects. Informal action at an early stage will often be sufficient to remedy a failing. If shortcomings persist the next step should if possible be an interview with a senior officer and generally a formal adverse report should not be made until the officer reported on has been informed in an interview that failure to improve will have this result.

Any written adverse report must be couched in precise terms with details and instances of the officer's shortcomings; vague generalities about conduct or inefficiency should be avoided.

7. *Duties of Countersigning Officers.*—Countersigning officers should endeavour to assist reporting officers to achieve a reasonably uniform standard of assessment. They should scrutinize reports carefully, paying particular attention to any inconsistencies, any general comments, what they themselves know of the staff concerned and their work and what they know of the reporting officer and his likely standards.

If a countersigning officer seriously disagrees with a reporting officer's assessment he should take the point up with the reporting officer.

Countersigning officers will have to deal with a much larger number of individuals than any one reporting officer; they should be in a position to recognize an unduly large proportion of "outstanding" or "poor" assessments and to find out the reasons for any variations from the normal distribution of qualities.

II

ORDINARY CONFIDENTIAL REPORT

(This is a confidential document. It will be seen by a few senior Officials only. Please state the facts correctly and your views frankly.)

SECTION 1

(to be completed by officer concerned.)

NAME (BLOCK LETTERS).....JOINED GOVT.
SERVICE ON.....
DESIGNATION.....DEPARTMENT.....

1. Please state briefly the duties performed in the past 12 months :

.....
.....

2. Were these duties the same as those performed a year ago? Yes No

2(a) If your present duties are different please state briefly what duties you performed a year ago :.....

.....
.....
.....

3. Are you content with your present post? Yes No

3(a) If you are not content, please state why , and the type of work you would prefer :

.....
.....
.....

4. What are your spare time hobbies? (Please give details) :

.....
.....
.....
.....

5. Are you taking any course of instruction in your spare time? Yes No

5(a) If so, please give details :

.....

6. Please give particulars, including dates, of any professional or technical qualifications held and service examinations passed :

.....
.....
.....
.....
.....
.....

ADDRESS

SIGNATURE.....

SECTION II

(to be completed by Reporting Officer.)

PERIOD UNDER REVIEW : (from.....195...to.....195...)

1. My assessments of factors concerning this officer's performance of his/her duties are given below :

	Very Good	Good	Fair	Poor
Knowledge and experience of work
Reliability and accuracy
Tenacity of purpose
Effective output of work
Ability to follow instructions
Clarity of expression in English :				
(a) Written
(b) Oral
Courtesy in dealing with public
Ability to supervise others
Ability to co-operate with colleagues...

2. My comments on this officer's personal qualities are, briefly, as follows :

Personality and force of character
 General intelligence
 Judgment and commonsense
 Adaptability
 Initiative
 Energy and drive
 Integrity
 Acceptance of responsibility
 Man management

3. In view of the above :

*I am submitting the attached Special Confidential Report

or

*I have no reason to submit a Special Confidential Report

4. I have known this officer for.....years/months.

Reporting Officer's Name
(in Block Letters)

Reporting Officer's Signature

Designation.....

Date :.....

*Delete whichever does not apply.

SECTION III

(to be completed by Countersigning Officer.)

*I do not know the officer concerned.

*I have known the officer concerned for.....years/months.

*I agree/disagree with the assessments and comments made by the Reporting Officer.

My own views are:.....
.....
.....

Countersigning Officer's Name
(in Block Letters)

Countersigning Officer's Signature

Designation..... Date.....

*Delete whichever does not apply.

III

SPECIAL CONFIDENTIAL REPORT

SECTION I

(to be completed by Reporting Officer.)

NAME (BLOCK LETTERS).....

DESIGNATION..... DEPARTMENT.....

PERIOD UNDER REVIEW (from.....195...to.....195...)

1. I have known this officer for.....years/months.

2. In addition to the assessments and comments given in the Ordinary Confidential Report, I wish to record the following special observations which may assist in arriving at a fair and balanced evaluation of this officer :

.....
.....
.....

3. My overall assessment of this officer is as follows :

Above Average

Outstanding (exceptional in personality
capacity and performance)

Very Good (able and efficient)

*On Confidential Reports***Below Average**

Fair (performs duties moderately only)

Poor (not up to duties of grade)

4. I recommend that the following action should be taken :

.....

.....

.....

5. *I realise that this is an adverse report and have communicated its contents to the officer concerned.

*I have not communicated the contents of this report to the officer concerned because :

.....

6. During the period under review this officer has been absent as follows (number of days) :

Vacation Leave.....Sick Leave.....Study Leave.....

Reporting Officer's Name
(in Block Letters)

Reporting Officer's Signature

Designation.....

Date.....

*Delete if not applicable.

SECTION II*(to be completed by Countersigning Officer.)*

*I do not know the officer concerned.

*I have known the officer concerned for.....years/months.

*I agree/disagree with the Reporting Officer's overall assessment and recommendations.

My own views are :.....

.....

.....

.....

.....

Countersigning Officer's Name
(in Block Letters)

Countersigning Officer's Signature

Designation.....

Date.....

*Delete as required.

SECTION III

(to be completed by Head of Department or by Controller of Organization and Establishments in case of interchangeable staff.)

I recommend the following course of action :

.....
.....
.....
.....

Signature.....

Date.....

Designation.....

SECTION IV

Record of Action taken

(all relevant references to be quoted.)

Date.....

Signature.....

Designation.....

Editorial Notes

With this issue the *Journal* starts on the second year of its existence. With the large measure of appreciative support we have been receiving from India and abroad, we shall confidently continue our efforts to maintain and improve the standard of service rendered by the *Journal*.

One more department has now been added in the form of a section, entitled "Correspondence". The letter published on page 73 raises an issue and makes practical suggestions which are of importance not only to the administrators and citizens of Delhi but also to those in other areas.

All readers are invited to write to us on any question relating to any aspect of administration, about which they have helpful and practical suggestions to make. Mere destructive criticism does no one much good but constructive suggestions, even on minor matters, may lead to important and lasting reforms.

—*Editor*

Indian Institute of Public Administration
Director's Quarterly Report

(January—March 1956)

I. Seminar on the Study and Teaching of Public Administration at the Indian Universities

It has been decided to convene a Seminar on the "Study and Teaching of Public Administration at the Indian Universities" on the 11th and 12th May, 1956, in New Delhi. The Seminar will be open to the Directors of Institutes, Heads of University Faculties or Departments and Instructors of Public Administration. It will discuss the aims and contents of courses in Public Administration given/to be given at the Indian Universities and the School of Public Administration which the Institute intends to set up by the Spring of 1958. The Seminar will also discuss plans for preparing study material on Public Administration, which is still wanting. Mr. Paul H. Appleby is expected to attend the Seminar.

II. Lectures

Col. Lyndall F. Urwick, Vice-Chairman of the British Institute of Management, who was recently in India to advise and assist the Government of India in the development of management education and training and executive development programme, gave an interesting and illuminating talk to a meeting of the local Members of the Institute on the 15th March, 1956, on 'Management and Government'. Over 300 Members attended.

III. Library

The second instalment of the "Author Catalogue" of about 600 books is being published. A list of books acquired but still in the process of being catalogued has also been supplied to the Members. The total number of books and reports in the Library has increased to 3,500—an increase of 1,000 over the last quarter.

The Ministry of Education has kindly earmarked for the benefit of the Institute a sum of \$5,000 under the Wheat Loan Educational Exchange Programme for obtaining books and

technical documentation on public administration and allied subjects from the United States.

IV. Office Premises and Staff

With the expansion in the Institute's activities, the existing accommodation at Sapru House is already proving inadequate. Additional rooms have been rented at the Curzon Road Barracks from the Estate Office for accommodating the Research and Training Division of the Institute. The main offices of the Institute will, however, continue to function at Sapru House, Barakhamba Road.

V. Second Annual General Meeting

The Second Annual General Meeting of the General Body of the Institute will be held at 4 p.m. on Saturday, the 7th April, 1956, at Sapru House, New Delhi. The Prime Minister, Shri Jawaharlal Nehru, will preside. Arrangements have been made to enable the Members wishing to attend the meeting, to enjoy the concession of doing the two-way railway journey on payment of a single fare.

VI. Elections to the Executive Council for 1956-57

A notice was issued on the 4th February, 1956, to all Members asking for nominations for elections to the Executive Council for 1956-57. The nomination papers were scrutinized on the 21st February. After ruling out of order the two nomination papers received after the due date and leaving out of account the nomination papers of seven candidates who had communicated the withdrawal of their candidature before scrutiny, it was found that only fifteen nomination papers were valid. As the number of candidates did not exceed the number of members to be elected under Rule 14 of the Rules of the Institute, these fifteen candidates stand elected for the Executive Council for the year 1956-57.

The names of the elected members will be announced at the Second Annual General Meeting to be held on the 7th April, 1956,

Correspondence

Sir,

With the adoption of a socialist pattern of society as the ultimate object, it is necessary that every citizen receives appropriate medical care irrespective of his ability to pay for it. In face of the vast areas of our countryside and the difficulty of communications it further becomes increasingly important that the medical care should be carried to the homes of the people or as near as possible. The Health Survey and Development Committee (Bhore Committee) which went into the question of the reorganisation of health services laid special emphasis on the point and it is also one of the avowed aims of the Community Development Programme.

Recent developments in the field of health administration in the capital city of India have not, however, been in *full* consonance with the above concept. Since the partition of the country, a number of townships have been set up in the outskirts of Delhi and New Delhi to house the displaced persons. At the time of the construction of these townships, e.g., Patel Nagar, Tilak Nagar, Malviya Nagar, Lajpat Nagar, Kalka Ji, etc., it was decided to set up a Health Unit in every one of them to render appropriate medical care to the displaced persons. These Health Units started functioning in 1953. In each of the Units there is an out patient department and indoor accommodation for 15 beds. Provision has also been made for maternal and child health services which are being run in a very satisfactory manner. But no arrangements have yet been made for X-ray or adequate laboratory facilities or other specialist's services. Patients requiring these services are referred, from all these townships, to the Irwin Hospital, New Delhi. For all surgical treatment, even for setting up a simple fracture, cases are sent to the Irwin Hospital. If the doctor in charge of a Health Unit needs any specialized advice, he, too, has to refer the matter to the appropriate specialist in the Irwin Hospital. The referral system applies also to cases requiring laboratory diagnosis. This entails a great deal of hardship to the patients and their relatives who have to spend a good part of the day in travelling by buses or other conveyance to the Irwin Hospital. Very

often, having reached the Hospital, the patients are asked to come again on the following day, because they had not come in time or because there are too many others to attend to, or for other similar reasons. Consequently, the patients tend to put off going to the Irwin Hospital until the case has really become serious and has to be hospitalised.

It was, therefore, suggested to those responsible for the administration of health services in Delhi State that mobile units of X-ray and laboratory technicians and equipment should be sent to these outlying townships on fixed days in a week so that each Health Unit was visited on alternate days. These mobile units could take X-ray pictures and collect specimens for pathological examination and hand in the results to the medical officers in charge of the Health Units on their next visit.

It was further suggested that similarly, expert surgical, medical, ophthalmic and E.N.T. teams could go round, perform operations and give advice.

These suggestions do not appear to have been accepted except that for a short while an honorary medical consultant was appointed to visit the townships once a week. The medical officer in charge of the Health Unit would collect cases on the fixed day for advice from the specialist but unfortunately in majority of cases all that the Medical specialist could do was to refer the patient for X-ray and laboratory examination to the Irwin Hospital. Even this honorary medical consultant left the job after a brief period.

The Health Units are fairly well equipped and staffed, and with a little more equipment, if necessary, a good deal of operative surgery can be carried out locally. The major operations where continuous attendance by the expert staff is essential would of course have to be referred to the Irwin Hospital. There are always a number of cataract and other eye cases requiring expert attention which can be collected on fixed days and arrangements made to carry out operations. Regular visits, say, twice a week, by mobile vans, carrying X-ray and laboratory equipment and technicians and surgical, ophthalmic and dental specialists can go a long way to carry medical care to the less fortunate members of the community who have neither the time nor the means to undergo the ordeal of travelling to and from the Irwin Hospital spending whole day in the process. The new arrangements may


require some additional whole-time technical staff but it should not be difficult to utilize the services of the specialists attached to the Irwin Hospital to visit the Health Units once or twice a week. If properly approached, they would not deny themselves the pleasure of carrying expert medical and surgical services to the people living in the suburbs and rural areas of Delhi. Local medical association may also, with advantage, be brought into the picture to elicit advice and help.

Delhi State has always been a pioneer in new experiments in the field of medical care. The first Maternity and Child Health team and the first B.C.G. team with the aid of W.H.O. and U.N.I.C.E.F. and a few other "Firsts" were started in Delhi. It can also give a lead in the provision of medical care to the people in suburban and rural areas. It is to be hoped that the Delhi State Department of Health will reconsider the matter and make a start with mobile X-ray and specialist Units at least on an experimental basis.

Yours etc.,

× × ×

(The author of this letter was himself in charge of one of the Health Units in the young townships. We have, however, his desire to remain anonymous because the views expressed in the letter contain implied criticism of the authorities under whom he served.—Ed.)



News from India and Abroad

1. CANADA

Advisory Committee for Municipal Affairs

The Ontario Government have set up a seven-member Advisory Committee on Municipal Affairs, with Elmer Brandon as its Chairman, to advise the Minister for Municipal Affairs personally, assist him especially during sessions of the Legislature and meet at his call. All existing acts and regulations dealing with municipal affairs and assessment problems will be reviewed and it is expected that the Committee's recommendations will greatly help to "streamline" the Ontario municipal law.

Employment of Married Women in Public Services

The Civil Service Commission of Canada have approved the revocation of the sections of the Civil Service code relating to married women. This means that : (1) married women are now eligible for permanent appointments in public service; (2) single woman employees in public employment will no longer be required to resign if they marry, and the Civil Service Commission shall re-certify such employees in their married names; and (3) married women who were permanent employees and were forced to resign by former regulations will now be eligible for immediate permanent employment in the public service.

2. INDIA

Visit by Mr. Paul H. Appleby

Through the courtesy of the Ford Foundation and at the invitation of the Government of India, arrangements have been made for another visit to India by Mr. Paul H. Appleby whose previous two visits were largely instrumental in bringing about the initiation of important steps in administrative reform in the country. Mr. Appleby is expected to arrive in India in the middle of April 1956 and will stay for about two months. After his last visit to India in 1954, Mr. Appleby was specially invited to take up the duties of the Director of Budget for the State of New York with an annual budget exceeding \$ 1,000 million. During his stay in India, Mr. Appleby will attend the Seminar on "The Study & Teaching of Public Administration at Indian Universities" which is being convened by the Indian Institute of Public Administration on the 11th and 12th May, 1956. He will also assist the Institute in working out a detailed plan of work for its School of Public Administration which, it is hoped, will start functioning by the Spring of 1958.

Administration in the Second Five Year Plan

The Planning Commission have, in 'A Draft Outline' of the Second Five Year Plan, pointed out that as development proceeds "the expression 'administration' steadily assumes a broader content. It includes within its scope the building up of personnel, training of men, running the administrative machine, seeking the co-operation and participation of the people, informing and educating the public and, finally, organising a sound system of planning based as much on the participation of people at each level as on the best technical, economic and statistical information available. If the administrative machinery, both at the Centre and in the States, did its work with efficiency, integrity and with a sense of urgency and purpose, the success of the Second Plan would be fully assured. Thus, in a very real sense, the Second Five Year Plan resolves itself into a series of well defined administrative tasks which could perhaps be classified into certain broad categories as follows :

- (1) ensuring integrity in administration;
- (2) building up administrative and technical cadres;
- (3) organising large-scale training programmes in all fields and mobilising all the available training resources, including public and private institutions, industrial and other establishment, apprenticeship and in-service training;
- (4) devising speedy, efficient and economic methods of work, providing for continuous supervision, and arranging for objective evaluation of results at regular intervals;
- (5) carrying technical, financial and other aids to small men, as in agriculture, national extension and community projects and village and small industries;
- (6) organising efficient management for public enterprises, as in industrial undertakings, transport services and river valley schemes;
- (7) securing local community action and public participation so as to obtain the maximum results from public expenditure, as in agriculture and in social services; and
- (8) strengthening the co-operative sector of the economy through assistance in managerial and technical personnel and establishment of co-operative, financial, marketing and other institutions."

An Administrative Staff College for India

On the recommendation of the All India Council for Technical Education and on the initiative of the Central Government and with the support of prominent individuals drawn from public life, a Committee was appointed in 1953 under the chairmanship of Mr. T.T. Krishnamachari, Minister for Commerce & Industry to prepare the detailed plans and estimates for the establishment of an Administrative Staff College in India on the lines of the pioneer institution of the kind at Henley-on-Thames in the U.K. The Committee has

selected Hyderabad for the location of the College and through the courtesy of the State Government the "Greenlands" buildings with a fine setting have been secured and are being fitted up for the College.

The Administrative Staff College will offer a three-month course in the principles and techniques of organisation, administration and leadership in civil life. It will also provide opportunities to young administrators from all walks of national life—private and public enterprises, Government and local bodies—to meet and exchange ideas to their mutual advantage. Such association will be valuable not only for the 'cross-fertilisation' of ideas and techniques among them, but also as a means to promote better understanding among those in charge of administration in different spheres of national activity.

The first Court of Governors of the Administrative Staff College of India will consist of :

Dr. John Matthai (Chairman)

Mr. S.B. Bapat

Mr. G.D. Birla

Mr. J.J. Ghandy

Dr. J.C. Ghosh

Mr. O.T. Jenkins

Mr. K.C. Mahindra

Mr. Ambalal Sarabhai

Lala Shri Ram

A nominee of the Government of India.

Acceptance of Employment in Firms Enjoying Government Patronage

The Government of India have issued orders that whenever the sons/daughters or dependents of Class I officers of the Government of India wish to accept employment with private firms with which the officers have official dealings, or with other important firms having official dealings with the Government of India, the fact should be reported to Government by the officers concerned and Government's permission should be obtained to such employment. Where, however, the acceptance of such employment could not await Government's prior permission or the matter is otherwise considered urgent, a report should be made to Government and the employment accepted provisionally subject to Government's permission.

Prof. D. G. Karve's Global Tour

Prof. D. G. Karve, who was one of the founder-organisers of the Indian Institute of Public Administration and its first Director, proceeded on a 3½ months' 'global' tour in the first week of March to study the recent developments in the field of Co-operation and Community Projects. The tour covers visits to Burma, Japan, U.S.A., Canada, U.K., Ireland, Denmark, Sweden, France, Switzerland, Italy and Greece. The Indian Institute of Public Administration has requested Prof. Karve to take advantage of his visit to establish contacts with sister institutions in these countries as the Institute's official representative.

Personnel Officers in Railways

In a directive issued to the various Railway Administrations, the Railway Board has suggested the allotment of a whole-time officer for personnel work in each Railway District, which is the smallest unit of Railway Administration. This officer will settle grievances on the spot, and look after other matters concerning the welfare of the staff. The Railway Board's directive is based on certain recommendations made by the Railway Corruption Enquiry Committee.

Recruitment to State Services by Competitive Tests

The Jammu and Kashmir Government have instructed the State Public Service Recruitment Board to hold competitive tests to ensure proper selection of candidates for the State services. The Board will shortly hold a competitive test for vacancies of gazetted posts in accounts and audit service and excise department.

The State Government have also set up a three-member Committee to suggest changes in the State's Service Regulations to bring them in line with those existing in other States.

Training School for Clerks and Accountants

In Travancore-Cochin, all new clerks recruited to the State service will have to undergo five months' training in a 'Training School for Clerks and Accountants'. The training will be divided into two parts : (i) 3 months' general instruction in the Constitution of India, legislative business, Government work and the audit code, and (ii) two months' practical training.

Improving Municipal Administration in West Bengal

By a recent amendment of the Bengal Municipal Act, 1932, the Government of West Bengal have assumed power to appoint duly qualified Executive Officers for Municipalities which, in their opinion, are not being managed properly. The Executive Officers, who may either be Government servants or outsiders will be given adequate powers to work somewhat independently of the influence of the Municipal Commissioners. The new measure is expected to bring about a much-needed improvement in the administration of Municipalities without taking the extreme step of supersession of the entire body of Municipal Commissioners and placing a Government Officer at the helm of municipal administration. Provision has also been made for stricter audit of the accounts of the Municipalities.

Reorganisation of District Administration

The Punjab Government have decided to convert all the 54 *tehsils* in the State into sub-divisions within the next two years. The creation of these new sub-divisions will considerably relieve the district heads from undue pressure of work and help in reorganising and decentralising the district administration.

Service Conditions of Local Body Employees

The PEPSU Government have appointed a three-member Commission to examine the service conditions of employees of local bodies and to make necessary recommendations to ensure their security of service. The Commission consist of the Under-Secretary of the Local Self-Government Department, Secretary to the Commissioner and Executive Officer of Patiala Municipality.

Advisory Committee on Rural Affairs

A 23-member advisory committee has been set up by the Chief Commissioner of Delhi under the chairmanship of the State Development Minister, to assist the Government and the State Development Advisory Board in rural problems. The Committee, known as the Development Projects and Local Works Committee, will also help the Board and the authorities in matters relating to development of Panchayats and consolidation of land holdings in the State.

Economy in Development Expenditure

Considering that the tempo of rising expenditure during the next five years would open up many possibilities of extravagance and waste, it is necessary to keep a close watch over such expenditure to ensure that the tax-payer gets the maximum benefit out of the planned outlay. The Government of India therefore propose to "set up a special high-powered committee of Ministers and the Deputy Chairman of the Planning Commission at the Centre to organize a thorough investigation, including inspection in the field, of the important projects in hand both at the Centre and in the States (with the approval of the National Development Council), through specially selected teams. These teams will be composed of officials as well as non-officials specially selected for each group of related investigations and may be assisted by outside experts. As the results of each investigation are received, the High-powered Committee at the Centre will examine them with a view to formulating proposals for effecting economy to be implemented by Central Ministries or in the States, as the case may be." "Such proposals may conceivably include the setting up of economy units for different categories of projects, preferably in the Planning Commission."

3. PAKISTAN

Railway Enquiry Committee

A one-man Railway Enquiry Committee has been appointed to review the working of the North Western Railway (West Pakistan) and Eastern Bengal Railway (East Pakistan). The terms of reference of the Enquiry Committee are : "(i) To examine the pace at which the rehabilitation programme has to be progressed to ensure the necessary safety and efficiency of the Railways; (ii) to indicate the extent of development needed to bring the Railways in line with the economic progress of the country; (iii) to suggest alterations in the rates policies necessary to meet the changed conditions in the country; (iv) to suggest ways and means of improving the overall efficiency of working of the Railways."

4. UNITED KINGDOM

Employment of Retired Senior Government Servants in Industry

A scheme for utilizing the services of retired senior officers of the Armed Services and the former Colonial Service in industry has been evolved by the Federation of British Industries.

There is apparently no employment problem with retired technical officers, but only with those whose careers have been devoted to general administrative duties. The Federation therefore has set up an advisory council to exercise general oversight of all aspects of this scheme, and on it are represented the Officers' Association, the Colonial Office, the Polytechnic, the Administrative Staff College and the Ministry of Labour.

A series of five-week "industrial appreciation courses", the first of which is now in progress, has been arranged by the Polytechnic and retired officers of the rank of colonel or its equivalent, or higher, wishing to take the course may be interviewed by a selection panel set up by the Federation.

Royal Commission on Law Relating to Common Land

The British Government have appointed a Commission under the chairmanship of Sir Ivor Jennings, R.C., Master of Trinity Hall, Cambridge, to enquire into the law relating to common land in England and Wales. The Commission have been asked "to recommend what changes, if any, are desirable in the law relating to common land in order to promote the benefit of those holding manorial and common rights, the enjoyment of the public, or, where at present little or no use is made of such land, its use for other desirable purpose."

Conference on French Public Administration

With the help of the Ecole Nationale d'Administration, the Royal Institute of Public Administration, London, proposes to arrange for the benefit of its members a conference in Paris from September 12-19, 1956. The subjects for discussion will deal with some of the main aspects of French Public Administration, and visits will be arranged to places of administrative interest.

5. UNITED STATES

New Performance Rating System in U.S. Department of Army

The Department of Army will put into effect in May 1956 a new performance rating system which is reported to have met with strong approval from both employees and supervisors in field trials conducted during the past 8 months.

The new system will apply to *every civilian employee* regardless of rank, type of job or whether paid under a Wage Board scale or under the Classification Act.

Because the law requires that at least three "adjective" ratings be used to grade employees at least once a year, the Army will not discontinue the present *Satisfactory*, *Unsatisfactory* and *Outstanding* ratings.

The Army will, however, try to make the ratings more meaningful by supplementing them with a written evaluation by the supervisor of the work of each employee and of the employee's potential for advancement. This evaluation will be discussed in conference with the employee and will go into his personnel folder. The "adjective" rating may be appealed against, but not the written evaluation. However, the employee is given the opportunity of writing on the rating form any comment he wishes to make regarding the evaluation, including his disagreement with any part of it.

New Employee Rating System in Colorado

A new employee rating system has been instituted in Colorado. It has been developed by the Colorado Civil Service Commission with advice and assistance from departmental personnel officers and department heads. The new system which is called 'Performance Rating' rather than Merit Rating, employs descriptive adjectives in place of numbers. It asks departments to rate employees on nine factors—a rating on five of the nine factors is required and is optional on more than 5. The factors are : work habits, relationships with people, dependability, quality and quantity of work, willingness and interest, adaptability, job intelligence and administrative or supervisory ability (for supervisors only).

Study of Merit System by High School Students

The U.S. Civil Service Commission are planning to give the thousands of high school students expected to visit Washington this Spring an opportunity to learn, at firsthand, about the merit system in the Federal Government. The programme of visit and study will include a brief orientation course about the organisation of Government, the relationship of the Civil Service Commission to other Government agencies and career opportunities in the Federal Service. A kit of information materials on the Federal service will be furnished to the teacher-escort for use in the school library.

Appointment of a Board to Review U.S. Intelligence

In January 1956, President Eisenhower appointed a watchdog board of eight citizens to monitor the activities of the Central Intelligence Agency and other units gathering security information. The President has acted on a recommendation of the Commission on Organisation of the Executive Branch of the Government, headed by former President Herbert Hoover. The part-time board of eight consultants is, however, a compromise of proposals to maintain strict supervision through full-time committees. The board is to meet not less than once every six months for several days at a time. Dr. James R. Killian Jr., President of Massachusetts Institute of Technology, has been named chairman.

Citizens' Service Bureau, Pontiac

Pontiac, Michigan, has established a Citizens' Service Bureau to handle complaints and requests for information from the public. The Bureau is located centrally in the city hall, and a separate line from the city hall telephone switchboard has been reserved for calls involving complaints and requests for information. When a complaint is phoned in, a record is made by a clerk on forms listing the name and address of the caller, the date, and the nature of the complaint. A copy is routed to the department concerned, and a duplicate is kept in a 'tickler' file. After the department has disposed of the complaint, their copy is returned to the Service Bureau, where the clerk mails a double postcard to the citizen concerned. One half of this card contains a short letter from the city manager asking the citizen to check and return the attached card to indicate whether his complaint was handled satisfactorily, courteously, and promptly. The Bureau was established in August 1955 and complaints have averaged 30 to 40 a day.

Citizens Told Reason for Inconvenience

American cities are taking a lesson from the dental profession which knows that patients don't mind pain so much when they know (1) they are being hurt for good reason and (2) how long the pain will last.

According to the American Public Works Association, more and more cities are making an effort to tell their residents why they are being inconvenienced by any construction project and how long it will be before the project is finished.

In Cincinnati, O., for example, where a major thoroughfare was torn up along one side, forcing motorists to use a narrow lane, a sign informed them that the work was being done to give citizens a better water supply.

Winnetka, Ill., prepares mimeographed notices describing the work under way and distributes them by messenger to each family or business in the affected area.

Vancouver, B.C., sends two men to interview all businessmen along a street where work is planned. The interviewers try to find out how construction can be arranged to lessen the inconvenience to the merchants.

Burbank, Calif., puts an announcement in the envelope containing the water and electric bills. The announcement tells about projects planned for construction.

Study Material for Promotion Examinations

The city personnel department in Alhambra, California, has adopted a policy of helping city employees to prepare for promotional examinations by making reading lists available for study purposes. There is no guarantee that any test item will be based on any particular reading, but the publications help to prepare employees for the examinations by giving them back-

ground information and ideas. Firemen may secure a list of material on fire prevention, policemen a special list on police administration and science, and employees of all departments may use a list of 43 books on supervision, management, personnel and public relations.

Bureau of Government Research, University of Massachusetts

A Bureau of Government Research has been established at the University of Massachusetts to do research, issue publications, and co-operate on projects with local government officials. John Gillespie, formerly training officer, Institute of Public Affairs, University of Texas, has been appointed Director of the new Bureau. Other staff will include an assistant director, a statistician, and a secretary.

New Journal on the Science of Administration

The Graduate School of Public Administration, Cornell University, Ithaca, N.Y., propose to bring out a new journal : *Administrative Science Quarterly*. The first issue will appear in June 1956. The journal will be edited by Prof. James D. Thompson. The foreign subscription will be \$7.50, with a special student subscription of \$4.00. The quarterly will contain articles, book reviews and abstracts relating to administration as revealed in business, educational, governmental, hospital, military and similar organizations.

6. MISCELLANEOUS

I.I.A.S. Congress at Madrid, September 3-8, 1956

The 1956 Congress of the International Institute of Administrative Sciences will be held in Madrid during the first week of September. The main subjects for discussion will be :

- (1) Present tendencies in the post-entry training of higher-grade civil servants;
- (2) Procedures for preparing and carrying out administrative reforms; and
- (3) The contract procedures of public authorities for public works.

Economic Development Institute set up by the World Bank

With the financial assistance from the Rockefeller and Ford Foundations, the World Bank has established in Washington a new centre for study and training in economic development, which will be known as the Economic Development Institute. Its object is to meet the need of the less developed countries for a general improvement of economic management in Government by increasing the number of administrators skilled in dealing with problems of economic policy, planning and development. Fourteen senior officials from different countries including Belgium (African Territories), Ceylon, India, Pakistan, the Philippines and Thailand are participating in the first six months' course which started early this year.

Digest of Reports

PERSONNEL AND CIVIL SERVICE : A Report to the Congress : REPORT OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT (*Second Hoover Commission*). Washington, D.C., Superintendent of Documents, 1955. x, 101p.

The Report is divided into nine chapters. Chapter 1 describes briefly the Civil Service System as it stands today. The Federal Government as of June 30, 1954, employed 2,345,718 civilians in almost every conceivable type of occupation and its total annual payroll is approximately 9,000,000,000. The Civil Service System covers 1,991,216 Federal civilian personnel. The remaining positions are filled under other laws or are excepted from the statutory requirements. The Civil Service System when it was established covered only 13,900 positions or 10.5 per cent. of the positions in the Federal Service. Its growth to 84.9 per cent. of Federal civilian positions has not, however, been based upon rigid adherence to the merit system. This has resulted partially from political considerations and partially from the way and the conditions under which the system expanded.

The Commission as well as their Task Force point out that the Government's personnel on the whole is competent, faithful, and in numerous specialties, distinguished. The greatest weakness is in expert managerial direction. Management needs to be improved at all levels, from the non-career political appointees and the career administrators down to the first line supervisors.

The major recommendations of the Commission, contained in Chapters III to VIII, are as follows :—

1. Career administrators should, as soon as possible, be relieved by non-career executives of responsibility for advocacy or defence of policies and programmes and should be kept out of direct participation in political controversies. In addition competent non-career executives should be worked into management organization at the departmental level to help carry the workload, assist the Secretaries and assistant secretaries in improving their control over and grasp of departmental business, and take over the political tasks formerly handled by many career administrators. Political appointees should not be placed in the line of command below career administrators. Obviously, such appointments undermine the line of command and make the position of career administrator untenable.

2. The President should designate the positions which should be in the non-career category and use the following criteria to determine these positions :

- (a) All positions filled by Presidential appointment, with or without confirmation by the Senate;
- (b) All positions having vested in them statutory authority or executive delegations of authority requiring the incumbent to make final decisions in the establishment of government

policies, programmes, objectives and in the enunciation of principles which will control the action of subordinates in the implementation of the foregoing;

- (c) All positions, the duties of which require the incumbents to act publicly in advocating new policies and in justifying or defending the governing policies or the basic principles or philosophy which controls their department or agency policies;
- (d) Most positions of a personal and confidential nature such as personal aides, confidential secretaries, and personal chauffeurs. Non-career executives may, of course, continue to employ career people in such positions.

3. The Congress should authorize salary increases for the Government's top managers, career and non-career, as a practical means of securing and holding competent men in public service.

4. While competent men may be willing for temporary periods to accept lower pay in public service, they are becoming increasingly reluctant to give up their lifetime accumulations of investments and pension and other rights of private industry and life. The President and the appropriate committees of Congress should review the conflict-of-interest laws to determine whether the intent of such laws can be better achieved by other and more positive means which would encourage rather than discourage entry of competent men into public life.

5. The Congress should authorize and the President establish a Senior Civil Service composed of highly qualified, politically neutral career administrators nominated by their employing agencies and appointed after a careful selection by a bipartisan Senior Civil Service Board.

6. Except for special skills, training should be systematically conducted by the agencies themselves and that training should count heavily as a factor in the promotion of employees.

7. (a) The grade structure under the Classification Act of 1949 as amended, be simplified. Grades GS 1-6 should be combined into three grades, and Grades GS 7-11 should be combined into three grades. Positions would then be allocated to six grades in this range rather than to eleven. Many employees in positions now classified at GS-15 and up should be absorbed into the senior Civil Service with its own pay schedules based on personal-rank status.
- (b) A genuine classification of postal employees should replace the misleading system in payment according to meaningless titles.
 - (c) To provide co-ordination among the multiplicity of wage board systems, a definite statutory basis for payment in accordance with prevailing labour-market rates should be established, and the Civil Service Commission should be authorized to study such pay systems and to establish general rules and regulations
 - (i) for classifying the positions to be paid at local rates, and
 - (ii) for determining local prevailing wages.

- (d) The Civil Service Commission and the appropriate committees of the Congress should review the positions covered by the Classification Act to determine whether additional positions might in the interest of economy and efficiency be paid under local wage board arrangements.
- 8. (a) An active and continuous recruiting programme should be established which should include :
 - (i) Continued efforts to improve the character and distribution of announcements;
 - (ii) Adequate public information programmes; and
 - (iii) Expansion of college recruiting, under Civil Service Commission leadership but with full agency participation.
- (b) The Civil Service Commission and the employing agencies should make vigorous and continued efforts to improve examinations.
- 9. (a) More use should be made of interviews, and interview techniques should be improved;
- (b) Junior professional examinations, especially Junior Management Assistant examinations should be improved;
- (c) The Civil Service Commission should be authorized by law to allow appointing officers greater leeway in selecting personnel by permitting them to make their selection from among five certified eligibles rather than three (the present rule) except in appointments to lower grade positions and the postal field services; and
- (d) The Commission should make full use of its authority to substitute 'category rating' for 'numerical rating' of the qualifications of applicants for certain higher scientific, technical and administrative positions.

10. The Performance Rating system, as it now operates, is a burdensome process of making largely perfunctory judgments. It falls far short of the objective of creating a friendly and helpful human relationship between supervisor and employee. If a Performance Rating system is to be useful, it must be an adjunct of good supervision and a means for improving the subordinate. It should not be an end in itself. The present Performance Rating system be abolished and a new system be established under which the supervisor reports at least once a year only on the following :

- (i) Employees with potential capacity for further development and responsibilities;
- (ii) Employees deserving meritorious awards;
- (iii) Employees misfit in their present assignments and who should be reassigned to other work and/or retrained for other work;
- (iv) Employees undeserving of periodic pay increases because of unsatisfactory service (employees not so designated would receive their increases in due course);
- (v) Employees requiring dismissal.

In each case the supervisor should submit in writing to his superiors the reasons for his judgment and specific suggestions as to action desired. The right to appeal against adverse decisions under the new system, should be limited to one appeal to higher authority in the agency.

11. (a) Each agency should train its supervisors to handle disciplinary problems properly, and delegate authority of removal to the lowest practical management level.
- (b) The probationary period be used more systematically and vigorously to screen out inadequate employees.
- (c) Supervisor's handling of dismissals and inadequate employees should be emphasized in evaluating supervisor's performance. Evidence of slackness or indecision should count heavily against the supervisor.
12. (a) Groups of positions which presently are excepted from the competitive civil service, such as positions overseas and in the territories, should to the extent possible either be brought within the competitive service and filled by open competition, or they should operate within special merit systems designed to meet the particular needs of these groups of positions.
- (b) The Presidential adviser on personnel management should be empowered to examine the operations of all personnel systems outside the regular Civil Service.
13. The Civil Service Commission, in cooperation with the Bureau of the Budget, should undertake a codification of the laws and orders affecting Federal personnel management, and report to the Congress on changes in legislation which the codification indicates are necessary to clarify and simplify existing laws, eliminate duplication and clarify lines of authority. Congress should enact the necessary legislation, as indicated, to effectuate the codification.
14. The Civil Service Commission should expand its research activities as a basis for developing improved basic standards and 'guide lines' under which the commission delegates its authority to departments and agencies and provides assistance to them; continue to expand the delegation of operating functions (subject to its standards) to the departments and agencies; emphasize vigorous, realistic and reasonably frequent inspections in order to assure compliance with the principles of the Civil Service laws and regulations, and the standards established by the commission under which it makes delegations of authority to the departments and agencies.
15. Departments and agencies delegate as much authority (subject to suitable standards) for individual personnel actions as is possible to lower operating levels. Agency personnel offices should be free to concentrate on positive personnel management, research, training and executive development and manpower planning.

ESTIMATES COMMITTEE, 19th Report (Ministry of Railways-General Administration); 1955-56. New Delhi, Lok Sabha Secretariat. ii, 38p.

The report describes and examines existing set-up of the railway organisation at various levels. Part I includes a descriptive survey of (i) the organisation of Railway Board (secretariat, attached and subordinate offices), and (ii) the general pattern of organisation and functions of railway administration. Part II which is critical, deals with (i) the central controlling authority, (ii) the size of railway zones, (iii) the divisional, district and regional patterns of organisation, and (iv) the separation of the Ministries of Railways and Transport. The main recommendations of the Committee on these questions briefly are :—

1. The Zonal Consultative Committees as at present constituted are too unwieldy. A Council of not more than 5 Advisers should advise the General Manager on different aspects of railway administration. There should be similar advisory bodies at regional, divisional and district levels also.

2. The Railway Board should be strengthened by one additional Member to look after the Civil Engineering Department for which the Chairman, Railway Board, is at present incharge, who should also have the charge of the Planning Section and the Efficiency Bureau.

3. Work relating to day-to-day administration and co-ordination should be transferred to a new wing thus enabling the Members of the Railway Board to give more prompt attention to matters of policy. The status of the Directors should be equated with that of the General Manager so as to obviate frequent references to the Board.

4. The work-load on each Railway is more than the optimum work-load for the prevailing pattern of organisation and shows a marked tendency to increase. The high-power technical committee to be set up to study the problem of the reorganisation of Railway Zones should at least include one non-official member with considerable experience in business. The committee should, in making its recommendations bear in mind the following basic considerations :—

- “(i) No person should be called upon to carry a charge bigger than he can effectively control and administer;
- (ii) Contact between the Administrative Officer and the Executive and the staff under their command should be close and effective;
- (iii) More specially, Supervisory Officers should have time at their disposal for ‘thinking’;
- (iv) Decentralisation should be extended to the point where it is possible to achieve speedy decisions;
- (v) The man on the spot must be given sufficiently adequate powers to discharge the responsibilities placed upon him and the structure should be so designed as to permit him to grow in initiative;

- (vi) The General Manager and his Heads of Departments should visit the remotest part of their charge at least once a year and show themselves to their staff; and
- (vii) The size of the smallest executive unit must be such as will enable the executive officer to get to know his men, guide and supervise them and make himself one with his team."

5. The district pattern of organisation, where each principal officer in the district railway administration, is responsible to the chief officer of his particular function or department at the headquarters, is efficient only for smaller units, and is being rapidly outmoded by the progressive increase in work-loads. The divisional system of organisation, on the other hand, makes for better co-ordination and supervision on the spot and should be expeditiously introduced in all railway administrations; full care, however, being taken to ensure that the divisional unit chosen is not too big for efficient management by one Divisional Superintendent.

6. Periodical regular meetings of General Managers should be held for promoting better co-ordination.

7. The Transport Ministry should be separated from the Railway Ministry and placed under the charge of a separate Minister to afford relief to the Minister for Railways.

GOVERNMENT OF TRAVANCORE-COCHIN: REPORT OF THE PAY COMMISSION. *Trivandrum, Government Central Press, 1955, ii. 103p.*

The Commission—a non-official body—was set up in 1955 by the Government of Travancore-Cochin, under the chairmanship of Shri K.S. Govinda Pillai, Retired High Court Judge, Trivandrum, to review the scheme of pay revision already sanctioned, with a view to rectifying the anomalies and omissions, if any, and to suggest suitable alterations, wherever necessary within the financial resources of the State. The Commission find that consistent with the pay scales sanctioned for the higher classes of Officers, it would be reasonable to fix the minimum remuneration of the lowest class at Rs. 50 per mensem and to place this class in the scale of pay of Rs. 25-1-35. The Dearness Allowance might also be enhanced to Rs. 25/-. Working on this minimum, the Commission have recommended revised scales of pay both for gazetted and non-gazetted staff keeping in view the following basic considerations :—

- “1. Improvement of existing scales of pay by raising their maximum or creation of new scales where a particular category of officers deserves a higher scale.
- 2. Re-adjustment of service personnel in the sanctioned scales having regard to their educational qualifications, nature of work, etc.

3. Placing service personnel having the same functions and responsibilities in all Departments, on more or less similar scales of pay.

The Commission's recommendations involve substantial revision only in respect of officers in the lower scales of pay. The new rates will involve the State Government an additional average annual cost of Rs. 44.8 lakhs.

For ensuring an even flow of promotion from lower to the upper division for clerks, the Commission favour the existing fixed ratio of 1 : 4 laid down by Government in January 1955. The Commission have also taken note of the discontent prevailing among the senior officers of the State on account of the reservation of the senior posts—the plums of office in the administrative and executive service—for the I.A.S. cadre.



Book Reviews

THE POLITICAL PROCESS : Executive Bureau-Legislative Committee Relations; J. LEIPER FREEMAN. *New York, Doubleday & Company Inc., 72, viii p. 95 c.*

Decision-making is an important aspect of public administration. In a democratic organization of government decisions have to be made within a complicated framework of institutions and agencies endowed with power and limited by responsibility. While the constitution vests the final authority to make decisions on matters of policy in such bodies at the summit of the governmental pyramid as the Executive and the Legislature, a number of lesser organs operating at various levels below are sharing in the process more or less effectively. Often it is these lesser organs which are far more important in shaping policy than the more imposing constituents of the governmental structure.

A study of the decision-making process at levels lower than the summit is, for that reason, likely to provide us with a better insight into the working of the governmental system than can be derived from a knowledge of constitutional theory or practice. A stimulating and fruitful attempt in that direction has been made by Professor Freeman in this small volume.

Below the level of the President and Congress—the highest executive and legislative organs under the American Constitution—decisions are largely influenced and promoted by the Executive Bureau and the Legislative Committee. The Bureau and the Committee of the Legislature dealing with a particular subject are always acting and interacting on one another in order to promote or oppose a particular decision. In this way, there is what Professor Freeman has called a “subsystem” at work under the overall system of Executive—Legislative relationship. Three elements are functioning in this subsystem : the bureaus, the committees and the interest groups affected specifically or generally by the decisions involved. While the Administration, the Congress and the Political Parties are not passive, and may become very active on issues which are not particularly specialised, there is far greater scope for the subsystem to be effective within its special field than is generally realised. Hence the importance of the study of the subsystem. Drawing on the experience of the working of the bureaus and committees over a fairly long period, Professor Freeman has given a lucid account of the various factors involved in their inter-relations. The behaviour of the leaders of the three elements is analysed with a view to finding out the sources of their effectiveness or failure in promoting decisions. The sentiments, seniority, interests and standing of the persons concerned are all factors to be reckoned with in determining their influence on their opposite numbers. The formal and informal ways of initiating and helping propaganda in favour of particular policies are discussed and their limitations brought out.

Altogether this little volume will be regarded as a very valuable addition to the growing literature on the "realistic" study of Government in the United States. Its value lies as much in what it contains as in the suggestive approach it provides to an essentially dynamic aspect of the study of modern government.

—S. V. Kogekar

THE STUDY OF COMPARATIVE GOVERNMENT; ROY C. MACRIDIS. *New York. Doubleday and Company, Inc., 1955, 77p. 95c.*

While the study of comparative government forms an essential part of any university syllabus in political science, there is a growing dissatisfaction in academic circles about the way it has been approached and taught since many years past. Generally the dissatisfaction arises because of the almost complete absence of any significant comparison between different political systems in the traditional approach to the subject. It arises partly also on account of the all too exclusive concern of the political scientist with the constitutional or anatomical aspect of the different systems studied. The enumeration of different features of a system followed by a like enumeration regarding other systems might at best give us a description of the systems in question. But no hypothesis, much less a theory, about the inter-relations within a system (not to speak of a causal relationship) can be built on such foundations. This causes the political scientist to pause and inquire if a more fruitful approach to the subject is not possible. Prof. Macridis has addressed himself to this vexed question and has indicated the lines on which a reorientation could be thought of. Apart from making a plea to give up the narrowly circumscribed study of "governments" in favour of a study of "politics", he suggests a scheme of conceptualisation which would make comparisons possible and purposeful. The four basic concepts on which he would like to see a new study of "comparative politics" built up are : Decision-making, Power, Ideology and Political Institutions. They should serve as a convenient and relevant basis for selection of facts as also for their comparison and evaluation in different political systems. Each of these concepts could be further analysed into its components and comparisons could be instituted within a static as well as a dynamic framework. The scheme suggested by the Professor is only illustrative and even there he is not unaware of the difficulties in the way. But a beginning has to be made somewhere. Further refinements may follow in the wake of actual effort.

There is no doubt that Prof. Macridis has argued his case in an impressive way without being in the least dogmatic about his particular scheme of reorientation. For that reason his survey and suggestions have become too important to be easily brushed aside. The sceptic can, of course, challenge the basic postulate that comparisons can so easily become meaningful on the adoption of the kind of conceptual framework which Prof. Macridis has in mind or that the multiplicity of variables in any actual situation can be brought within the scope of such a conceptual framework. If general conclusions are formulated on the basis of the comparisons, their validity might again be limited to the conditions initially assumed and may have little of the practical value which Prof. Macridis seeks to achieve.

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Finally there is the larger though hackneyed question of the possibility of building up a theory of political behaviour, on the analysis of political phenomena alone. But with all these methodological questions starting in one's face, there is still no reason to belittle the pioneering and obviously refreshing effort of Prof. Macridis as embodied in this little volume. Political Scientists will do well to peruse and ponder over his thesis. One may also express the hope that Prof. Macridis will follow up this methodological work by another to demonstrate the application of the method.

—S. V. Kogekar

FRENCH ADMINISTRATIVE LAW AND THE COMMON-LAW WORLD; BERNARD SCHWARTZ. New York, New York University Press, 1954. xxii, 367p. \$7.50.

Here is a book by an accredited scholar of international eminence which removes an age-old misconception that the system of French administrative law—*droit administratif*—is inconsistent with the constitutional principle of the rule of law. It was seventy years ago that Dicey denounced *droit administratif* as 'despotic' on the ground that it countenanced freedom of administrative action from all judicial control. This criticism has persisted ever since and even Dr. Schwartz, the present author, repeated it only a few years ago. But that was before he made an 'on the spot' study of the French administrative law. After spending fifteen months in France in observing *droit administratif* in action, he has now revised his views and has in this masterly treatise, analysed the different facets of the *droit administratif* and shown that the French system also is governed by the rule of law as much as the Anglo-American systems. After tracing the historical development of the *droit administratif*, he has convincingly pointed out that Dicey's description of it is out-of-date and no longer accurate.

The book is of absorbing interest to the laymen and the lawyer alike. With the expanding governmental activities and growing complexities in administrative functions, the points of impact between the common man and the executive are far too numerous. And in these days of democracy there arise numerous perplexing problems of balancing administrative justice with administrative expediency. The vigil of the courts of law over executive action as envisaged by Dicey's rule of law is indeed the traditional way of safeguarding the rights and privileges of the citizen. But Dr. Schwartz has now revealed that the working of the two-court system in the *droit administratif* is as satisfactory as the unitary Anglo-American system. The administrative courts in France dealing with administrative-law cases, are also as independent of the active administration as the ordinary law courts and are, the author emphasises, "infused with the inculcated traditions and techniques that are an indispensable part of any judicial tribunal". He observes that the '*Conseil d'Etat*', the highest administrative tribunal in France, is "as much a true court as the Court of Cassation", the supreme law court in the French system. This poses a question : should there be a dichotomisation of remedial justice ? Should there be two parallel systems to deliver justice—one as between two ordinary citizens and the other as between the administration and the citizen ? The author

has answered it in the negative after drawing attention to the 'jurisdictional difficulties' and has advocated judicial review of administrative action by ordinary law courts, discarding the argument that 'administrative courts' specialised in administrative-law cases would tamper legal justice with administrative as well as social justice.

The credit for the book must also go to the New York University Institute of Comparative Law under whose auspices the study has been prepared. The Institute has an ambitious programme of comparative study and research in foreign laws and legal systems and this work is the first of the series which promises to be of immense interest to the legal world. Quite naturally, the present author has adopted the comparative method in expounding the principles of the *droit administratif* and has wound up with a summary of those aspects of the French system that appear to be in advance of the Anglo-American system and also with suggestions for certain changes in the systems which provide food for thought to every student of law.

—B. N. Lokur

KURUKSHETRA : A Symposium on Community Development in India (1952-55) ; THE COMMUNITY PROJECT ADMINISTRATION. Delhi, Publications Division, 1955. viii, 525p. Rs. 7-8.

The book contains 109 articles which are almost all reprints from the monthly journal *Kurukshetra* which came into existence in 1952 when the Community Development Programme was launched in this country. In the symposium the articles have been rearranged in nine distinctive groups. The first group of articles under the heading *Gram Kalyan* is mainly inspirational in character. The opening article entitled *The Yajna* is from the pen of the President of India. While fully recognising the importance of the aid and the role of Government activities in promoting 'integrated' welfare, he emphasises that the result cannot be satisfactory unless the people take up the work as their own and put their heart into it. "Mahatma Gandhi used to look upon all work for the common benefit as *Yajna* and it is in this spirit of *Yajna* that the work has to be undertaken and accomplished."

The next article is a contribution from the Prime Minister. It calls upon every Indian citizen to join in the war against poverty and ignorance. "People talk of money and money is, no doubt, useful but it is the human being that counts in the end. If we train and prepare the right type of human beings in India, then the rest is easy. All over India we have centres of human activity which are like lamps spreading their light more and more in the surrounding darkness. This light has to grow till it covers the land."

Shri C. Rajagopalachari's article *Gram Kalyan* which follows that of the Prime Minister, asks workers everywhere to find joy in working together for the good of all. In the first section, as in some of the other parts, there is an article "From a Farmer's Sen". It emphasises the importance of manual work. "Whether we travel South or North, West or East, monuments of time some intact, some in debris, tell us of ages bygone. The

temples and works of art, the roads and dams bear ample testimony that muscles did do it once. They tell us "Muscles can do it" again. They tell further that "Muscles can be trained to do it", that "Conditions can be created to do it afresh".

Several other contributors in the first section including Mr. Clifford H. Willson emphasise the basic principles underlying the Community Development Programme.

The remaining eight sections contain articles dealing with the progress of the work and with the problems which have arisen and still continue to arise. In Part II a signal contribution has been made by Shri V.T. Krishnamachari, Deputy Chairman of the Planning Commission in his article on "The National Extension Movement". Shri Krishnamachari explains in detail the objects of the movement and the relationship between the Community Development programme and the National Extension Service. In "New Wine in Old Bottles", Messrs. Douglas Ensminger and Carl C. Taylor stress the important part played by the movement in recreating a 'significant' village culture.

The importance of approach and methods is brought out in the succeeding parts. The basic idea is being crystallised that the movement is essentially the people's movement and the initiative for both planning and execution should, therefore, rest with the people. This is the theme of Shri Tarlok Singh's article "Planning at the Village Level".

As the programme gains in strength and volume the question of the combination of regulatory and developmental functions assumes greater importance. The aim of the Community Projects Administration has been to transform what might be called Administrative Services into Welfare Services and this principle has almost universal acceptance. Officers from the Development Commissioner to the level of the Sub-Divisional Officer have been squarely charged with the responsibility of development work. Below Sub-Divisional level, however, the principle of integration has yet a long way to go except in Bombay. The problem is examined in articles like "The Programme at the Cross Roads" by "Satyakam".

Part VI is perhaps in a sense the most important of all. It deals with people's institutions. Though the programme was started with almost one hundred per cent. government initiative, the emphasis has now shifted to the organisation of elected panchayats in the period of the Second Plan and the question of making the movement in reality a people's movement, therefore, becomes very important.

A national movement which has already covered one-fourth of the country and which will cover the rest by 1961 requires personnel of various categories to discharge the many functions to be performed in carrying out the multipurpose programme. This aspect is dealt with in Part VII. A striking achievement has been the training of about 40,000 workers of all categories since the programme was inaugurated. A heavy task will be involved during the Second Plan. New training centres will have to be opened and the Community Projects Administration also intends to keep

workers abreast of the latest trends in the movement by giving refresher courses and arranging for seminars and study tours.

Part VIII deals mainly with education, health and welfare work among women and children and Part IX is entitled "Assessment". For evaluating the progress achieved in the implementation of the programme with particular reference to methods and techniques used, an independent and self-contained unit—the Programme Evaluation Organization—was set up in April 1953. Prof. D.G. Karve who was its Director till the middle of 1955 has written an interesting article on the objectives of the Evaluation Organization and the way in which it has functioned. An objective assessment of the impact of the programme on the life of the village community is most valuable to enable the administration to detect, in time, any methods or programmes which are undesirable in their working or their results.

The symposium, on the whole, contains a fund of information and ideas which will be of great value to all who take part in what the Prime Minister has described as "this tremendous adventure of building up new India".

—B. R. Tandan

ADMINISTERING COMMUNITY EDUCATION ; ERNEST O. MELBY. *Englewood Cliffs, Prentice-Hall, Inc., 1955. xvii, 325p. \$6.*

American education is facing a crisis. There is a serious and mounting shortage of teachers and classrooms. The teacher shortage is expected to reach the half million mark by 1965. Qualitatively, there is a feeling among educational experts that the educational system is not adapting itself to the needs of a more complex community which is conscious of its role in the changed world situation of today. The progressive separation which is taking place in the larger cities between the dormitory areas and the business and working centres is loosening the community ties, and the communication that once existed between the school administrator, the teaching faculty and the parents is breaking down. Among other things, this is leading to destructive public criticism of the school system and a growing disinclination or inability on the part of the local community to mobilise its resources for the development of education.

As an answer to this problem, the author, who is the Dean of the School of Education, New York University, suggests a new concept of administration in Education to replace the present outmoded concept drawn from industry. Under the present system the overall administering authority is vested in a Board of Education which is analogous to the board of directors of a corporation. Though both are essentially elected bodies the "electorate" has very little direct interest and voice in determining the nature and standards of the service rendered. The Superintendent of Schools is the opposite number for the managing director of the corporation. The Board of Education, like the board of directors of a corporation, determines policy and the execution is entrusted to the Superintendent as the chief executive officer. The teachers under this system are analogous to the 'workers in industry and the supervisors and principals are somewhat like the factory 'managers'

and 'foremen'. It can be readily seen that under a system, such as this, of authoritarian management the school tends to be without any organic relationship with the community it caters for, and, within the school system all sorts of stresses and strains are generated as a result of planning and performance being put into watertight compartments.

The new concept advocated is dynamic and community-centred. The Superintendent, in the new concept, would try to develop the educational programme with the active participation of the layman of the community as well as the school faculty. The process is an education in itself for all the participants, and the programme that emerges has behind it the backing of the community as well as the teaching faculty.

The administrative principles recommended for adoption by the Superintendent of Education, under this new concept of educational administration, have a much wider application in present-day conditions in America as well as in this country. The concept of the Administrator functioning as a social engineer, or a catalytic agent, or an individual exercising creative leadership, more eager to listen than to speak and lay down the law, and encouraging the mere "beneficiaries" of the educational system to become active "participants" in it, has a familiar ring in this country in the new context of a nationwide community development programme. The same thing could be said about the author's advice: "There are some things which Administrators must forego, if they expect to be effective: one is the luxury of losing one's temper." The old authoritarian administration is today out-of-date; the new administration should increasingly concern itself with the far more difficult task of providing creative leadership to the community. The book is a valuable contribution towards the development of this new democratic and dynamic concept of administration which should have an appeal much wider than the field merely of educational administration.

—U. L. Goswami

ORGANIZATION AND MANAGEMENT: THEORY AND PRACTICE; CATHERYN SECKLER-HUDSON. *Washington, The American University Press, 1955. viii, 324p. \$5.*

Mrs. Seckler-Hudson is the Chairman of the Department of Government and Public Administration at the American University, Washington, D.C., and is the author of about a score of books. In the twenties her attention was focussed round the current problems of American social life; in the thirties, she drifted to the study of constitution—her book: "Government by the People", has been translated into 26 languages; since the forties she has taken Public Administration as the subject of her special interest and investigation.

Without attempting to tax the reader with a heavy load of descriptive details Mrs. Seckler-Hudson has in the *first part* of the book, described in a short compass the modern concept of Public Administration and Principles of Organisation and Management. Her approach is dynamic. If the

organisation is to be effective it must keep pace with the changing social situation. She emphasises that the making of policy and its execution are distinct, though related elements which may require different treatment in different contexts. Totalitarian governments march towards administrative ends without outside interference or delay. Their policy is clearcut and execution straightforward. In democracy, on the other hand, as the author observes, "Policies are arrived at, then, in all sorts of ways conditioned by all sorts of matters. They are difficult to define precisely because they are everchanging as one influence after another conditions them to become something slightly or substantially different from what they were yesterday" (p. 71).

'Unity of Command' is the first principle of any administration, democratic or authoritarian. But this well-known principle, more often than not, as the author observes, "dies before it is born" (p. 24). The prevailing practice in the democratic structure engenders confusion of authority and diffusion of responsibility. This can, however, be overcome by improving the administrative machinery, gearing it properly to the needs of the country, and giving it a certain amount of autonomy. The 'multiple bosses' in democracy must cultivate the virtue of restraining themselves to the reasonable limit of putting pressure and making exaggerated and undue criticism.

Mrs. Seckler-Hudson lays down 12 principles or guides of Organisation and Management. The author is pragmatic enough to allow flexibility of these principles. She quotes Lyndall Urwick in these words, "The principles, however, convenient as a shorthand method of thinking, are only guides in action. If they become rules—rigid—they lose their utility. There must be continuous machinery for working out new principles and applying existing principles to cases". This sort of dynamic approach permeates throughout the book" (p. 43).

In *part two*, the author deals with the process of organisation and management. In seven chapters out of nine she has explained in detail, in the light of her own experience, the famous coining of Luther Gulick's 'POSDCORB', made up of initials of Planning, Organisation, Staffing, Directing, Co-ordinating, Reporting and Budgeting.

Without making any outstanding or original contribution, "Organisation and Management" makes a lucid and effective presentation of the subject-matter. At the beginning of every Chapter the author puts a set of leading questions which puts the reader in a challenging position to try and compare his own solutions of the questions with those of the author and in most cases he will find himself in agreement with the author's solutions.

Notwithstanding the American background the author has the breadth of mind to lay down General Principles which apply to all countries having a democratic set-up, as the basic problems are more or less similar. Without being 'rules' they are safe 'guides-in-action'. A bibliography of worthy books, journals and government publications given at the end is an added attraction,

The author is realistic in approach and constructive in making suggestions. The book is recommended to all 'practitioners, scholar-practitioners and theorists'. All modern executives, whether in public establishments or in private concerns, will be better equipped in their field by a study of the book.

—Ajit Banerjee

NOTICES

MANAGEMENT TOPICS; ed. P.S. CHOHAN. Bombay, *Management Publications*, Vol. I, No. 1, January, 1956, 28p.; No. 2, 30p. As. 8. Annual Rs. 6/-.

A new, interesting but rather slim periodical; the plan evidently seems to be to collect together for the benefit of business executives in India, important information and writings on ways and methods of improving management practices. The second issue includes an original contribution by Col. L. Urwick : "Gobbledygook about Management."

THE CO-OPERATIVE WAY : A Handbook; SUNIL GUHA. New Delhi, *Indian National Congress*, 1956. 193, xiii p. Rs. 2-8.

A handbook primarily meant to help the ordinary reader and the social workers to understand the basic principles and the background of the Co-operative Movement in India. Mentions important developments in foreign countries. The slow progress of co-operative movement in India has been attributed to the lack of trained personnel. The U.K. system of training personnel in accountancy, shop-keeping, business management, etc., has been strongly recommended.

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Postwar Housing Policy and Administration in England and Wales

J. B. Cullingworth

[This article deals with the problems of organising the housing drive in England and Wales between 1945 and 1950 and describes the regional organisation introduced for this purpose and the relationship of the central government to local government. The problems of planning, control and executive decentralisation discussed in the article should be of special interest to our readers.—Ed.]

THE postwar housing shortage in Britain was immense. House building had almost ceased during the war years. Some 222,000 houses had been destroyed or damaged beyond repair. Approximately 3,523,500 different houses had sustained varying degrees of damage, and of these $\frac{1}{4}$ million were uninhabitable. Thus, in all, about $3\frac{3}{4}$ million houses had been either damaged or destroyed—constituting about 15% of the total number of houses.

Further, the population had increased by over 2 million.

These facts give some idea of the shortage in the *quantity* of houses. This, of course, ignores the *quality* of existing houses. $4\frac{3}{4}$ million houses were over 65 years old and of these $2\frac{1}{4}$ million were over 100 years old. Over 1 million people were living in slums.*

Whereas in 1939 the number of houses roughly equalled the number of families (approximately 11 million in England and Wales), in 1945 there were about $\frac{2}{3}$ million more families than houses. Apart from this very crude calculation,

* The figures refer to Britain, *i. e.* they include Scotland.

estimates of the shortage of houses varied greatly—from 3 to 12 millions.

Policy

One of the main policy decisions was that the great majority of houses should be built for letting at reasonable rents to families in the most urgent need. The criterion for the selection of tenants should be the urgency of their need, not their ability to pay. The building of houses for sale should therefore be strictly limited.

It was considered that State action was therefore essential. Statements were made in the House of Commons early in 1944—eighteen months before the end of the war—outlining the Government's policy; and in March 1945 a White Paper ("Housing" Cmd. 6609) was issued in which it was stated that the first two postwar years were to be treated "as a period of national emergency when exceptional measures must be taken to meet the housing shortage. Wherever possible these measures will be put into effect before the end of hostilities in Europe. The primary aim of the Government is to produce the largest practicable number of separate dwellings in this emergency period."

In 1945 the building labour force numbered 337,000—about a third of its pre-war strength. Steps were taken to increase it up to and beyond the pre-war total by special release from the Forces and by training schemes for apprentices.

A large proportion of the force was, in 1945, engaged on repairs of war damage in blitzed areas. Building activities in the rest of the country had slowed down or stopped. When the war ended the highest priority continued to be given to war damage repair. At first the magnitude of the problem was such that houses could only be given first aid repair and an emergency standard of "tolerable comfort" was aimed at. Only essential rooms were repaired and no decoration was undertaken unless it was essential for the protection of the work done.

Attempts were made to utilise to the fullest possible extent all existing accommodation. Householders with spare rooms were urgently requested to let them; the use for

non-residential purposes of housing accommodation was severely limited; local authorities' powers to requisition empty houses were extended; service camps and wartime hostels were adapted for temporary housing purposes, and, in London, temporary huts were erected as emergency accommodation.

Temporary Houses

It was realised—before the war had ended—that temporary accommodation would have to be provided on a large scale. It was necessary to fill the gap until the building industry could make good the accumulated shortage. Even if the maximum use were made of existing accommodation, and of camps, hostels and so on, a large gap would remain, and that would be made worse as demobilisation proceeded. A new source of supply was required which would be quickly expandable and would not delay the building of permanent houses, *i.e.* one which would make the minimum demand on the building industry. The considerations clearly pointed to factory made, “prefabricated” houses. The Housing (Temporary Accommodation) Act 1944, gave the Government power to spend up to £150 m. on the provision of temporary houses. Their production, transport and erection were undertaken by the Government, but in all other respects they were let and managed by the local authorities in the same way as permanent houses built by them. By December 1948, when the programme was completed, $\frac{1}{4}$ million had been completed.

Permanent Houses

A target of 220,000 houses completed by the end of the second postwar year was estimated by the Government to be the maximum possible, bearing in mind the availability of labour and building resources, the needs of other sectors (*e.g.* building for the export trade and for essential civil requirements), and the top priority accorded to war damage repair.

Production of Materials and Fitments

The production of materials and fitments remained in private hands, but the government made arrangements to ensure that supplies would be adequate to meet the programme

planned. It was intended that production should be "so timed that, so far as possible, progress will not be delayed by shortage of any essential parts" (White Paper on Housing, Cmd. 6609). The administrative machinery set up to deal with this is described below :

Administration

(A) Central Authorities

The government department responsible for Housing Policy had always been a Health department. The explanation of this—as of many other British administrative arrangements—is historical. Housing policy was an offspring of Sanitation policy. 19th Century "housing" legislation was concerned with slums—with people living in insanitary conditions. As such it was the obvious responsibility of a Health department. Although housing policy developed and became no longer merely a question of sanitation or public health, it remained a responsibility of the Health department until after the period under review. It was transferred to a new Ministry of Housing and Local Government in 1951. Recently there have been complaints that this was a mistake, and that Health and Housing should be the responsibility of a single department.

The total amount of capital investment to be devoted to housing was decided annually by the Cabinet. The Ministry of Health shared this investment among different areas on the basis of need, *i.e.* it allocated a number of houses to each of its regions.

The Ministry sanctioned the raising of loans by local authorities, approved houses for subsidy, gave guidance on house plans and on the layout of estates, and approved tenders for site works and house erection. Departmental control was very stringent in the immediate postwar years. Local authorities were understaffed, prices were fluid, and the supply of materials often fluctuated disconcertingly. In particular, there was a great danger of rising prices when a huge programme was embarked upon under conditions of short supply. (Up to March 31st 1946, 4,475 tenders submitted by local authorities were rejected because the prices quoted were too high.)

The Ministry was responsible for relating the housing programme to the conditions of supply. At the end of 1945, for example, it was found that the number of houses being started was beyond the capacity of the building industry. Steps were taken to balance the programme; fewer houses were started and labour and materials were spread in such a way as to expedite the completion of houses under construction.

The Ministry also determined the maximum size of the private house building programme. It was intended that private building should be allowed only where available labour and materials were not needed for local authority building. This was an essential corollary of the policy that the majority of houses should be built for letting at reasonable rents.

Much of this work was decentralised to regional offices. An account of the regional organisation is given in the following section.

Although the Ministry of Health had the responsibility for housing policy and the general execution of the housing programme, close co-operation with other departments was necessary.

The Ministry of Works was responsible for assessing requirements for labour and materials and for working out a programme for employing them to the best advantage having regard to urgent building work other than housing.

The Ministry of Works was itself responsible for ensuring supply of such basic building materials as bricks, cement, glass and joinery, but it also prepared in minute detail the requirements for other goods which were the responsibility of the Ministry of Supply (mainly engineering products) and the Board of Trade (*e.g.* timber and plant).

The Ministry of Works was also responsible for the production, transport and erection of temporary houses, and for controlling works which did not provide housing accommodation. Licences had to be obtained from the Ministry for works costing more than £100. Even for works which were allowed, a system of priorities was in operation (The Building Materials Priority Distribution Scheme).

Liaison between the Ministry of Health and the Ministry of Labour was maintained to ensure that the building programme was related to the availability of labour. The Ministry of Labour provided special training schemes for those wishing to enter the building industry.

(B) Regional Organisation of Central Departments

As the postwar housing problem was dealt with as an "emergency", new administrative machinery was required. Decentralisation was necessary to give the Ministry the detailed control needed to put into operation its carefully planned programme. It was also essential, under postwar conditions that local authorities should have advice and help readily available. A regional organisation was therefore set up. It was based on the wartime Civil Defence Regions, each of which had been designed to provide an independent unit of government in the event of invasion.

Day-to-day liaison with local authorities and supervision of their housing programmes was effected through the regional offices. There were ten of these each under a "Principal Housing Officer". These officers possessed considerable autonomous powers and dealt with all normal approvals. Every stage of a local authority's building programme was subject to a substantial measure of control by them. They had to refer to the Ministry only on matters of major policy.

Other departments concerned with housing such as the Ministries of Works and Labour also had regional offices. Problems of joint interest could therefore be discussed and settled quickly.

Various interdepartmental committees were responsible for assessing priorities, discussing common problems, co-ordinating activities, and so on. In particular, the Regional Building Committee was responsible for the oversight of the Regional Building Programme and for ensuring that the programme proceeded smoothly and according to the priority system. This Committee consisted of representatives of the Ministries of Labour, Health, Supply, the Board of Trade, with the Regional Director of the Ministry of Works as Chairman.

For administrative convenience, the Ministry of Works divided its regions into "zones" (representing roughly the areas within which building workers might be expected to travel daily to and from work), for each of which estimates were made of the available building labour force and expected demands. These estimates were discussed at "Zonal Conferences" at which annual housing programmes were discussed and decided by the Regional Building Committee in consultation with the local authorities concerned. The advantage of such a conference was that it enabled other building work in the "zone" to be related to the local authority housing programme, since, for example, the maximum amount of work that could be allowed by the Ministry of Works and the Local Authorities (by licensing) could be decided at the same time.

There were also Regional Advisory Committees which advised the Regional Director of the Ministry of Works on such matters as brick production (Area Brick Committees) and the working of the licensing system, labour supply etc. (Building and Civil Engineering Regional Joint Advisory Committees).

The above survey of regional organisation is not complete, but it gives some idea of the administrative machinery set up to ensure that the policy decided by the Government would, in practice, be related to local problems.

(C) Local Authorities

As stated above, the government decided that the majority of houses should be built for letting at reasonable rents to families in the most urgent need.

The following passage from the 1946 Report of the Ministry of Health (Cmd. 7119) explains the reasons for this and for the decision that local authorities should be the main house providing agency :

"As it was impossible to meet all housing needs at once, an order of priorities had to be adopted. First and foremost came, by Government decision, the needs of those who were living under the worst conditions. The great majority of these were among the

lower income groups of the population, and their needs could only be met by an agency which was in a position to select occupants according to the degree of hardships they were enduring, irrespective of the amount they could afford to pay. Local authorities provided such an agency; hence the concentration on the building of houses for letting by local authorities, with private enterprise, which normally builds mainly for sale, paying a subsidiary part."

It should be added that many local authorities had had experience of providing houses in the inter-war years.

Provision was made for the Government to take over part of a local authority's house building if requested by that local authority. It was envisaged that this might be necessary in areas which had suffered extensive bomb damage and where the authority's resources were strained to the utmost.

Houses were rarely built by the local authorities themselves. Usually they were built by private builders under contract. Tender prices were, of course, subject to approval by the regional housing officer of the Ministry of Health. The local authorities let the houses at rents fixed to cover loan charges and maintenance, less the subsidy.

Finance

Local authorities financed their building by borrowing from the Public Works Loan Board, which was financed by the Exchequer. This was the usual way in which local authorities raised money for capital expenditure which could not be met out of current revenue. Repayment period varied according to the estimated useful life of the particular asset : in the case of houses it was 60 years.

In order to keep rents at a reasonable level subsidies were given for each house built. The financial responsibility for these was shared between the State and the local authority. Briefly, the basis of the arrangements was that an annual deficit was estimated on a "standard" three-bedroomed house, and this deficit was borne by the State and the local authority in the ratio of 3 to 1. In 1946 the capital cost of this "standard house" was estimated at £1,100; maintenance costs

etc. were estimated at £7.8s. a year and a national rent was fixed at 10/- a week. (This was accepted as being a reasonable rent and was arrived at by taking 10% of average wages.)

On these figures an annual deficit was expected of £22 per house per year. A subsidy of this amount therefore was given for each house built. The State contributed £16.10s. (from general taxation) and the local authority £5.10s. (from local rates).

These figures were reviewed annually to take account of changes in prices, interest rates etc.

By 1952 the position was as follows :

Estimated Cost of Standard House	1525£	
Loan Charges (interest $4\frac{1}{4}\%$ over		
60 years	£70.	9. 3
Maintenance etc.	12.	0. 0
	£82.	9. 3
National Rent		
(10% of average wages)	46.	16. 0
Deficit	£35.	13. 3

The subsidy was fixed at £35.12.0 divided between the State (£26.14) and the L.A. (£8.18).

Subsidies for flats, houses built for agricultural workers etc. were higher.

Housing Progress

The table on page 110 shows housing progress up to the end of 1950. The number of new permanent houses completed reached the highest annual figure in 1948. In part this was due to a very high rate of completions. Efforts were made to get sufficient new houses under construction to balance the number completed, but it was not until the beginning of 1949 that a stable position was reached. This position of stability produced about 170,000 houses annually until 1951.

Temporary houses, conversions and war damage repair reached a peak in 1946 and thereafter declined. This, of course, was the time when the new building programme began to expand greatly.

By December 1950, over $1\frac{1}{2}$ million new "family units of accommodation" had been provided in England and Wales. (A further 136,000 had been provided in Scotland.)

HOUSING PROGRESS (ENGLAND & WALES)

	New Permanent Houses	Temporary Houses	Conversions and Adaptions	Repair of Unoccupied War damaged Houses	Temporary Huts	Service Camps	Requisitioned Houses	Total New "Family Units" of Accom. Provided	Repair of Occupied Dwellings † (Year Ending March)
1945	1,445	8,939	8,606	60,817	2,822	—	15,078	97,707	750,000*
1946	51,090	70,931	35,994	46,420	658	9,241	10,233	224,567	519,000
1947	127,541	34,351	35,027	19,774	—	4,967	2,464	224,124	178,000
1948	206,405	10,746	27,273	9,799	—	5,541	—1,247	258,517	69,553
1949	171,780	3	13,555	4,844	—439	1,734	—2,505	188,972	7,982
1950	172,360	—	8,766	2,767	—189	2,126	—3,086	182,714	124
TOTAL	730,621	124,970	129,191	144,421	2,852	23,609	20,937	1,176,601	1,524,000

† Excluding those privately repaired.

* Total Occupied and Unoccupied Dwellings repaired up to March 1945.

Sources : Housing Returns
Ministry of Health Annual Returns.

Administration of Nationalised Undertakings

R. G. Saraiya

UNDER the Second Five Year Plan, a more important role has been assigned to the public sector than to the private sector for securing the industrial development of the country. "The public sector is to grow absolutely and relatively to the private sector. Programmes of industrial development during the second plan place on the Government responsibility, amongst other things, for new steel plants, coal mines, heavy machine building factories, fertilizer factories, manufacture of heavy electrical equipment and oil exploration and development. The comparative figures of investment during the first and the second plans are an indication of the growing responsibilities of Government in the management of modern industry. The decision to set up a State trading corporation is another illustration of the rapidly increasing area in which the Government has to equip itself with personnel and to create organisations not only for tasks to be undertaken during the next few years but a preparation for even larger responsibilities to be shouldered in the future. Besides industrial projects which the Government directly operates, there are also a number of schemes of industrial expansion with which it is closely associated. Organisations for preparing designs of industrial plant and equipment have to be built up within the Government. Personnel has also to be found for assisting development councils established for individual industries under the Industries (Development and Regulation) Act 1951."*

There may be differences of opinion whether all that is put in the public sector in the plan should be there; but there can be no two opinions that whatever is undertaken in the public sector should be efficiently managed. It is necessary, therefore, to examine what special problems and difficulties arise in the administration of nationalised undertakings. An

* *Second Five Year Plan*, New Delhi, Planning Commission, 1956, Chapter VI, Para 17 (p. 136).

attempt is made in this article to initiate a discussion of these matters.

II

For a proper discussion of any topic, it is necessary to be clear about the sense in which the important expressions are used. An "undertaking" is established for purposes of supplying a service or an industrial product. A "nationalised undertaking" is one which is wholly or for the greater part owned by the State and where the State lays down the objectives and policies and controls the working. Broadly, there are two methods of managing nationalised undertakings :—

- (a) Departmental management as in the case of the Posts and Telegraphs Department, Railways, Ordnance Factories, Government Presses, Mints, etc.
- (b) Management as statutory corporations, or joint stock companies with Government as the sole or the principal shareholder, *e.g.*, the Industrial Finance Corporation, the Indian Airlines Corporation, the Sindri Fertilizers Ltd., the Hindustan Machine Tools Ltd., the Hindustan Shipyard Ltd., the Bharat Electronics Ltd., etc.

In this article, the term "nationalised undertaking" is used only to denote the last mentioned category, *i.e.* statutory corporations and government companies. These occupy a position midway between private business and Government departments. They seek to take what is the best of the former and at the same time to function as effective instruments of State policy.

The term "administration" can be used in many senses, some too narrow and others too wide. In the present context it connotes "the guidance, leadership, and control of the efforts of a group of individuals toward some common goal."* "Clearly, the good administrator is one who enables the group to achieve its objectives with a minimum expenditure of resources and effort and the least interference with other worthwhile activities." The functions of the administrator viewed in this broader sense include problems of organising,

* Administrative Action—The Techniques of Organisation and Management ; William H. Newman, New York, 1951, Prentice Hall p.4.

of selecting executives, of establishing plans, of measuring results and of controlling and coordinating activities with a view to attaining certain already agreed-upon ends. Under this concept 'human engineering' and 'human relations' constitute the most important function of the administrator.

Certain basic qualities and attributes are needed in all who are engaged in public administration. They include, general intelligence, clarity of thought and expression, grasp of detail, perseverance, moral integrity and impartiality, initiative and leadership. For the purpose of the present discussion it is unnecessary to dwell on them. The administration of nationalised undertakings calls for certain other special attitudes and talents which are not ordinarily needed for the duties of a 'general administrator', and they are closely related to the special characteristics of nationalised undertakings.

III

A nationalised undertaking has to provide service or industrial product in an efficient manner at a cost or price consistent with other objectives of State policy. It must, therefore, be run on business principles. Most of the statutes creating the corporations expressly lay down that their affairs will be conducted on business principles. For instance, the Road Transport Corporation Act 1950, provides that "it shall be the general principles of a corporation that in carrying on its undertaking it shall act on business principles." Similarly, the State Bank of India Act 1955, prescribes that "the Central Board in discharging its functions shall act on business principles, regard being had to public interest." The Air Corporations Act 1953, lays down that "in carrying out any of the duties vested in it by this Act each of the Corporations shall act so far as may be on business principles." The Industrial Finance Corporation Act 1948, also provides that "The Board (of Directors) in discharging its functions shall act on business principles due regard being had by it to the interests of industry, commerce and the general public."

What, then, are these 'business principles' on which so much stress is laid? In effect, 'business principles' mean that the enterprises are not charitable or philanthropic bodies; they are not meant to provide a product or a service free of

cost or at the cost of the tax-payer; they should meet all their working expenses; they should pay interest on capital, both equity capital and borrowed capital; and they should also provide for the loss of capital due to wear and tear and obsolescence, by setting aside funds from their revenues for depreciation and replacement. They should further be able to write off bad debts when they arise. As the Corporations will have to face good as well as bad times, they should be able to build up reserves in good times so that they can draw on them in bad times without transferring the burden on the tax-payer. As an increasing proportion of the economic activity of the country is going to be conducted by the State and managed through State Corporations, these corporations should not escape liability to income-tax.

A corollary of the application of the business principles to nationalised undertakings is the need to have better public relations than in the case of departmental management. A good businessman has to be far-sighted, he has need to build up reserves for a rainy day, and also to cultivate and earn the goodwill of his customers. The best of the businessmen have generally not looked to immediate profit but to long term goodwill and stability. A good business administrator would not insist on his pound of flesh, impose the extreme penalty to which he may be entitled to in a contract, or try to escape his obligations under a contract on legal technicalities. To quote an example, good businessmen do not, as a rule, contest a claim on the ground merely of its being time-barred by the law of limitation; nor do they take advantage of a genuine error in a quotation or a term of delivery. Similarly, a first class banker will not insist on his rights under the letter of the law and take his clients to liquidation or insolvency, but will try to see his customers through periods of difficulty. Many British banks in India have earned the goodwill and permanent loyalty of their clients by looking after them in times of depression or adversity. Nor would an advanced business house exploit its position of monopoly or near-monopoly by supplying a service or a product at the highest possible price to the consumer. Over the last quarter of the century there have been instances of businessmen with the narrow outlook coming to grief while those with a broad and more humane outlook surviving and flourishing. The need to observe and emulate the good points of enlightened business practice is all the greater because in a Public Corporation with the might of the State behind it, and the sword of Damocles of the "audit

objection" hanging over it, there is a real danger of developing a wooden, legalistic approach to the interpretation of contracts and agreements. Such an attitude is likely to result either in higher costs, as the other side to the contract or agreement will ask for more in order to protect itself, or what is more likely, in temptations to corruption.

Good public relations are also important for another reason. In the days of the British Government, the role of the administrator was comparatively simple. The Government officer had to carry out well-chalked out instructions and he was the law. He was seldom wrong, but the public could be wrong more often. He therefore could manage to be a little high-handed if possible or if necessary, and it was not his business to adjust himself to the public from time to time but it was the public's business to humour him. But with the coming in of democracy and the establishment of a Welfare State, the attitude of the administrator has got to change. He is not merely the custodian of the law. He is also the servant of the people in the best sense of the term. He has to cater to the needs of the public and evaluate the work which he does, in the light of the results which he achieves and the public co-operation he wins.

IV

Quickness of decision and flexibility of operations are two basic elements which are fundamental to the success of a business-like enterprise. While the main object of nationalising certain private enterprises is to enable the State to carry out its economic and social policies effectively, the purpose of giving them a legal corpus and an independent form is to provide for necessary financial and operational freedom. In the internal administration of public corporations, therefore, it would be no use if all the rules and regulations of Government services are copied and the men who run the enterprise are thus tied up with procedures evolved over a period of centuries. The tendency, which is at present somewhat noticeable, to copy these procedures in big institutions in the public sector may prove fatal to their development. If the corporations are to do valuable work, rules and procedures should be simpler and fewer than in Government departments and an attempt should not be made to provide for every possible contingency by drafting a rule for it. In fact, there is ground for hoping that simpler rules and

procedures evolved for organisations in the public sector will have a salutary effect on the working of Government departments.

The need for quickness of decision and action in public enterprises must be specially stressed. In a dynamic economy decisions about prices of goods to be brought and sold cannot await the convenience of procedures, consultations and committees, or reference to very 'high level' in New Delhi. It will not always be possible for the administrator to examine in detail all about every possible product or machine which can be offered. But he will have to develop a broad judgment and learn to take decisions on the basis of easily available data. It is no use condemning the officers responsible for these quick decisions, by being wise after the event. For example, many institutions decided to increase their stock-piles when it seemed likely that the Korean war would be prolonged and extended. Fortunately, this did not happen and the increased stockpiles had to be written down. The very critics who cried loudly against this error of judgment would have cried more loudly if the Korean war had extended and these public services and institutions were found wanting in stocks. Distrust of each other, whether of businessmen or government officers, is almost becoming a national weakness which is likely to retard our progress.

Quick decisions are also important in dealings with employees. Reward and punishment given too late lose their effect and value. The decision must be taken quickly whether it be punishment or promotion, and the administrator should have the opportunity and discretion to do so; at the same time he should have the capacity to deal with human beings in a perfectly human way. He should be able to tackle the human problem of welding a very large number of employees into efficient and loyal teams imbued with zeal with a view to providing the community with good service at an economical cost.

For taking quick and correct decisions, an administrator has necessarily to cultivate the habit of taking risks. He will not always have a precedent or a rule to quote when he is running a public undertaking because there would be many situations without precedent. While he is liable to make mistakes as all the factors affecting a course of action will not be known, a decision will, all the same, have to be taken. In the matter of purchases and sales, for example, it will be easy

for a future economic adviser to criticise, but it will not be easy or even possible for the administrator always to anticipate correctly all the developments and to take always the right decisions regarding prices, purchase and sale. He has, therefore, got to take risks.

Quick and correct decisions on the part of administrators in nationalised undertakings call for financial realism and moral courage of a high order. The manager-administrator can ill-afford to ignore the lessons of accounts and balance sheets : he should know that two plus two is always four. The administrator will be exposed to a good deal of political pressure either to bring down the price of a product or the price of a service; he should have the strength of character to resist this. Unless a product or a service is to be openly subsidised as State policy, the administrator should see that the full cost of the product or service is charged.

Similarly, those who are in charge of nationalised undertakings should have the courage to place their candid views without any reservation before the Government in the matter of appointments, pricing, purchasing, contracts, and the like. The businessman is sometimes short-sighted and looks at the immediate profit. The administrator and the salary-earner can also be equally short-sighted if he looks up to some immediate reward from his superior officer or minister. There is great danger in having 'yes' men in charge of big undertakings. People who are in charge and who will be in charge of public undertakings should have the courage to stand up and say what they feel about the decisions which may be imposed on them by their superiors. They should also identify themselves with their undertakings so that they can always clearly voice what is best for their public enterprise. It is possible that they may be overruled in the interest of public policy or political pressure, but they should not let the case of the undertaking go by default.

V

What is the best source for securing an administrator who will be able to manage a nationalised undertaking and deliver the goods? There is a good deal of controversy in this connection. Some of the largest organisations in the U.S.A. are now veering round to the view that he should be a lawyer or a businessman. At the same time one should

not exclude scientists, engineers and others if they have the necessary management talents and outlook. This is a controversy on which the last word has not been said, and accordingly for the present, the approach should necessarily be pragmatic, *i.e.* one of trial and error. Managerial and executive talent should be picked up wherever it is found, without any prejudice or pre-conceived notions.

It is interesting to note that the Government of India have recently decided "to establish an Industrial Management Service, for staffing State enterprises under the Ministries of Production, Transport, Communications, Iron and Steel and Commerce and Industry. The Industrial Management Service is intended to provide managerial personnel for industrial undertakings needed, for instance, for general management, finance and accounts (except top level posts), sales, purchases, stores, transportation, personnel management and welfare, town administration, etc. Recruitment to this Service will be made from within the public services as well as from outside. At lower levels arrangements are to be made for the purpose of training personnel who will be able to assume higher responsibilities at a later stage. The controlling authority for this Service would be the Home Ministry and it will be advised by a Board which will include the Cabinet Secretary and representatives of the Ministries concerned. It is also the intention that public enterprises should be required to recruit extra personnel against supernumerary posts at lower levels in order to provide in due course for the long-term needs of the expanding public sector. The Service should also be able to provide higher grades of personnel for Industries Departments in the States whose operations especially in the field of small, medium and co-operative industries will steadily increase. In regard to technical personnel, a proposal to set up a technical cadre or cadres to man certain categories of technical and specialised posts in the State industrial undertakings is under consideration."*

While a specialised cadre of manager-administrator would be useful, there is the danger of rules, regulations and procedures defeating the very object of the "management pool." Where a regular service is established, there would be a tendency to take 'safe' decisions and towards promotions on

* Ibid, Para 18 (pp. 136-37)

the basis of seniority and little reward for special merit or work. In free enterprise, keen competition and payment by results often bring out the best in the management personnel. There is also the identity of interest on the part of the best management personnel with their undertakings. One may well wonder whether patriotic zeal and devotion to duty will provide sufficient incentives in the "management pool" ?

The existing facilities in India for training in Business Management are singularly inadequate. The Universities of Bombay, Calcutta and Delhi have recently started courses in Business Management as an experimental measure. These courses are open to business executives and a few others; extend over a period of 2 to 3 years and are held in evening classes. In addition, Management Associations have recently been established in Calcutta, Bangalore, Bombay and Delhi. There is also a proposal to establish an Administrative Staff College which will bring together senior executives from private industry, public sector, and government for exchange of ideas and experience in administrative practices and techniques. A point to remember is that the training of an administrator is a live process; it is not merely education by collecting information and passing an examination. This applies with even greater force to the training of administrators for nationalised undertakings.

VI

In conclusion, it may be observed that the administration of the nationalised undertakings resembles general administration in many respects; but it differs also in many others. Manager-administrators have to face special problems the solution of which requires a basic knowledge of the rules of economics and of industrial and commercial practice, a sense of financial realism, *i.e.* the operation of public enterprises strictly on business principles except where the State policy specifically requires its modification, action-mindedness and capacity to take quick decisions, executive ability to manage large groups of human beings, far-sightedness and amiability to maintain good public relations and courage and integrity to render objective and impartial advice. While some of these qualities and attributes are innate and cannot be acquired if they are not already present in the individual and competence in the management of nationalised undertakings can be attained only by experience, the development of many

of these administrative and managerial talents can be quickened by proper education and training. That the Government is alive to the problem of such training and education is evident from the attention which it is devoting to the proposals concerning the establishment of the Industrial Management Service and the Administrative Staff College. But whether the nationalised undertakings will be allowed the necessary operational freedom from Government regulations and control and not reduced to the level of departmental management is still a moot question. The success of public enterprise naturally depends as much on the former as on the latter. Unless the proposed Industrial Management Service contains *a fair proportion* of personnel experienced in the traditions and practices of private industry, it is doubtful if the Service as a whole will learn to combine the best elements of free private enterprise and the public service.



“The field of administration is a field of business. It is removed from the hurry and strife of politics; it at most points stands apart even from the debatable ground of constitutional study. It is a part of political life only as the methods of counting-house are a part of the life of society; only as machinery is part of the manufactured product. But it is, at the same time, raised very far above the dull level of mere technical detail by the fact that through its greater principles it is directly connected with the lasting maxims of political wisdom, the permanent truths of political progress”.

—WOODROW WILSON

(in *'The Study of Public Administration'*)

A Forward Look in Personnel Administration*

Philip Young

MY theme this morning—a forward look in personnel administration—should not be taken as an indication that I have cast myself in the role of prophet. My desire is not to attempt to tell you what lies ahead, but to emphasize the importance of maintaining a forward look in all aspects of Federal personnel management.

From the beginning, this Administration has sought to build a stronger career merit system and a more effective public service—not for the present alone, but for the long-range future. The forward look characterizes all the major achievements of the past three years : the career-conditional appointment system, decentralization, executive development, in-service training, manpower planning, college-level recruitment, and the establishment of a worldwide career service; as well as group life insurance, incentive awards, unemployment compensation, and many other employee benefits.

The forward look is also the key to our current legislative proposals : improvements in the Federal retirement system, major medical expense insurance for Federal employees, authorization for outside-Government training, and an increase in the salary scale for top executive positions.

The Role of Personnel Administration in Modern Government

We are not alone, I am glad to say, in our desire to look ahead, and the Commission continues to be the recipient of advice and recommendations from various sources, both within and outside the Government, on the improvement of Federal personnel administration. Many of these recommendations are related in one way or another to the Civil Service

* From an Address at the 1956 Annual Conference of the Society for Personnel Administration, Washington, D. C., on May 16, 1956.

Commission's position in relation to the other agencies of the Government, to the Chief Executive, and to the Congress. I think it is important in considering any of these recommendations that we strive to maintain a clear understanding and a consistent application of the basic objectives of public personnel administration.

I have been frequently referred to, because of my dual role as Chairman of the Commission and as adviser to the President on personnel management, as a man who wears two hats. If you will permit me, I would like to lay aside both hats for a few minutes, and speak for myself alone.

I believe that any step that increases the distance between the central personnel agency and the Chief Executive is a step backward. The idea that the agency responsible for administration of a merit system should be "independent" is a survival of the early civil-service reform days, when any contact with the Executive was presumed to carry the danger of pollution by the spoils system. *The separation of the personnel function from operating management is out of place in modern Government.* Personnel management has become an essential part of management as a whole, and as such should be integrated as closely as possible with the total management function. *The formulation and direction of personnel policy should emanate from the Chief Executive's office and carry the same force and effect as the formulation and direction of fiscal and budget policy.*

Protection of the merit system is still an important (though by no means the only) function of the Civil Service Commission. But it has long since ceased to be a purely negative, or policing, function. Properly administered, it has a constructive purpose—not to act as a check on management, but to help management do a better job. Adherence to the merit system is an accepted feature of good public personnel administration today, and is best carried out under strong executive leadership. And the *ultimate* protection of the merit system, of course, lies in an informed public opinion. This is as true today as it was in 1882, when a Senator declared: "No administration, no party, is strong enough to defy successfully the public voice." This statement was made during debate in the Senate on the Pendleton Bill, which became the Civil Service Act of 1883.

In the same debate we find evidence that the need for

a close relationship between the Chief Executive and the central personnel agency was recognized. A Senator commented on the purpose of the proposed Civil Service Commission as follows :

It is to aid the Executive in the execution of his great executive functions. Nobody on this floor would undertake to say that Congress would have the power to establish a distinct, separate, independent power in opposition to the President..... This commission is to aid him in carrying out the principles of this bill, not to place there a power in antagonism to the Executive, but a power that will be in sympathy with him and to cooperate with him for the purpose indicated.

Similar expressions of opinion appear at frequent intervals throughout the 73-year history of the Federal civil service. In 1937, for example, a Presidential committee making a study of administrative management in the Federal Government said :

A satisfactory central personnel agency would occupy a position exceedingly close to the Chief Executive. Such an agency cannot develop its highest usefulness without the active interest and support of the Chief Executive, and he, in turn, cannot perform his important personnel functions in a satisfactory manner without the constant assistance of a central personnel agency worthy of his respect. Personnel management is an essential element of executive management. To set it apart or to organize it in a manner unsuited to serve the needs of the Chief Executive and the executive establishments is to render it impotent and ineffective.

The management of a central personnel agency may take various forms, ranging all the way from a single personnel administrator to a multi-member commission, with or without a division of responsibilities among its members. It is interesting to note that among non-Federal jurisdictions, the New York City and New York State Civil Service Commissions and the California State Personnel Board, the three largest in the country with thoroughgoing merit systems, have adopted the type of organization under which the chairman is responsible for administrative direction of the agency and the other commissioners share the policy-making and appellate

functions. This has been the organizational pattern of the United States Civil Service Commission since 1949, when it was adopted and approved by the Congress pursuant to a recommendation of the first Hoover Commission. Coupled with the internal reorganization of three years ago, it has increased the effectiveness of the Commission's operations.

The present relationship of the White House and the Civil Service Commission results from the dual role of the Commission's chairman, as created by Executive order in 1953. This relationship has placed the full weight of the executive branch behind the proposals advanced by the Commission for the improvement of personnel management. It has identified the personnel function with the Chief Executive, as an essential part of executive management. It has brought increased stature and prestige to the Government's personnel programme. It has been invaluable both in the development and in the execution of such major improvements as the career-conditional appointment system, the college-level recruiting programme, manpower planning, executive development, and many others. At the same time, the independence of the executive agencies' relations with the Post Office and Civil Service Committees of the Congress has been preserved.

I do not say that the "two-hat system" is necessarily the *ideal* way of achieving closer integration of the personnel function with top executive management, but I do say that it works, so long as it is kept completely free, in its White House aspect, from the political area of appointment. I should not like to see it abandoned unless it were to be replaced with something that would serve the same purpose even more effectively.

Senior Civil Service

As you know, the source of many of the most significant recent recommendations with respect to Federal personnel administration has been the Hoover Commission of 1955. Among these I want to call particular attention to one that the President of the United States has characterized as "one of the most far-reaching and imaginative proposals made by the Commission." This is the recommendation for the establishment of a Senior Civil Service, a programme for the filling of the highest career posts in Government and for the continued development and improvement of competency and skills at that level. The Senior Civil Service as conceived by the Hoover

Commission would provide "a designated group of highly qualified administrators whose competence, integrity, and faithfulness have been amply demonstrated; who will make it easier for non-career executives to discharge their responsibilities; and who will add to the smoothness, effectiveness, and economy of governmental operations."

Supplementary to these basic purposes of the Senior Civil Service are the objectives of providing the necessary top-level resources for emergency assignments, broadening the point of view of career executives, making better use of the competence of these top career people, making the civil service in general more attractive to both present and potential career employees, and providing the continuity of administration that is required by the long-range programmes of modern Government.

I am sure that by now many of you are well acquainted with the essential features of the Senior Civil Service idea. Members of the group would have rank and status vested in them as individuals, with emphasis on the person rather than the position, and they would be employees of the Government as a whole instead of having their tenure tied up entirely with a given assignment in a particular agency.

While they would have some obligation to serve wherever needed, it would not necessarily follow that members of this group would be "whirling dervishes" assigned willy-nilly from one place to another without regard to continuity or to their particular aptitudes and skills. The flexibility of the group would, however, permit practical application of the fact that a top career executive who has had experience in more than one line of job and perhaps in more than one agency is a more useful career administrator to the Government as a whole than one who has been identified for all of his career with a single function, a single programme, or a single organization. At the same time, it would mean more challenging work opportunities and more promising avenues of advancement for our topmost career people.

I feel certain that it was not contemplated by the Hoover Commission that senior civil servants would be rotated from one kind of assignment to another that would be remote from their own interest or capacity. Neither would there be an effort to convert specialists into generalists who could serve in any post of any kind regardless of its subject-matter

emphasis. No one to my knowledge has seriously suggested that a physicist be put in charge of an economic regulatory activity, or that a personnel man be put in a position of mathematician. What is contemplated, I presume, is the broadening of the experience and the perspective of senior career people within particular agencies or within certain functional areas that cut across agencies. Examples of what I mean by functional areas would be such activities as natural resource development, economic regulation, scientific research and development, insurance and retirement programmes, and of course the management services that exist in all agencies.

It is important to remember that members of this career group would be expected to maintain the same high degree of political neutrality that is expected of all career civil servants. They would be working in close relationship with the politically appointed management of Government agencies, but they would not identify themselves with particular partisan considerations. The very fact that they would be selected and assigned because of the breadth of their background and experience would help to broaden the basis of their motivation, and would help to insure that their identification would be with broad democratic values and the general interest of the public service. This concept of political neutrality would call for a professional approach to problems of administration regardless of what political leadership was in control of the Government at a given time.

To operate this Senior Civil Service, the Hoover Commission proposed the establishment of a Senior Civil Service Board of high-ranking persons who would be appointed by the President and would assist the Chairman of the Civil Service Commission in making the assignment and training programmes for senior career people work effectively. Furthermore, the Hoover Commission conceived of additional rewards in the form of pay and retirement benefits, and of top recognition in the form of Presidential commissions, for all career persons who were selected for the Senior Civil Service.

Most people who have given thought to the subject have praised the objectives of this far-reaching proposal. Nevertheless, many have recognized that such objectives cannot be achieved overnight even under the best of circumstances. To be fully effective, such an idea needs the support not only of political management in the Federal service but of the career

service itself. Certain features of the proposal could not be put into effect without legislative authority.

However, we are now moving forward as rapidly as possible to give the Federal service the benefit of those features that do not require new legislation. Over a period of months a plan embodying the nonlegislative aspects of the Senior Civil Service proposal has been presented formally by myself and others to more than a dozen groups at various levels of Government. In addition to these discussions, agencies have all had the opportunity to comment on the plan, and there is now in preparation an Executive order to put it into effect.

I believe that the present plan will carry the development of the Senior Civil Service as far as can be done under existing authorities. It will incorporate the following features of the Hoover Commission recommendation :

1. Creation of a Senior Civil Service Development Committee to act in an advisory capacity to the Civil Service Commission and to the President.
2. High standards of selection for members of the Senior Civil Service, including a minimum number of years in the career service.
3. Presidential commissions for those selected.
4. Political neutrality of Senior Civil Servants.
5. Obligation of Senior Civil Servants to serve where most needed.
6. A code of ethics for the Senior Civil Service.
7. Periodic review of the progress of individual members.
8. Advancement within the Senior Civil Service, and "selection-out", under prescribed standards.
9. Flexibility in assignment.
10. Extensive executive development opportunities for members of the group.

When sufficient experience has been acquired with this programme to support them, legislative proposals along the lines recommended by the Hoover Commission will be developed.

Flexibility Under the Classification System

To many people who are acquainted with the Federal job-classification system, the concept of "rank in the man" rather than "rank in the job" seems the most revolutionary feature of the Senior Civil Service as proposed by the Hoover Commission. It is true that the Federal personnel system has been criticized as being "job oriented" rather than "employee oriented." But granted that our system operates within a fixed framework, I wonder whether everyone concerned realizes the degree of flexibility that we have built into the system in recent years. Very briefly I should like to mention some of the features that bring our system closer to the "rank in the man" concept than may be generally realized.

First, there is the long-standing authority for Federal operating officials to detail employees on a trial-run basis. Under this authority a promising junior can be tried out in a job at a higher grade or in a different line of work to see if he has the potential for permanent appointment to the job. This authority is also valuable in providing flexibility to meet emergency work loads.

Next, there is a kind of flexibility that might be called "finding the man and fitting the job around him." For example, recruiters for a Federal scientific laboratory, in seeking a specialist in a certain field at a certain grade, may find instead a highly qualified scientist who is available at a different grade and in a different speciality. If his speciality is needed for another one of the laboratory's planned projects, an appropriate job assignment for which he is qualified can be developed, and he can be hired to carry out that assignment. This is a perfectly legitimate way of operating under the Federal personnel system, provided always that there is authorized work of the appropriate kind and that the candidate meets the qualification standards.

A related kind of flexibility comes from the fact that an outstanding scientific or professional worker inevitably attracts to himself projects of progressively greater significance. As his job increases in this way, his classification can be adjusted accordingly. Thus the rank of the job grows with the increasing stature of the man.

In this connection, incidentally, I might make a brief comment on the idea I have heard expressed by some operating

officials, including professional people, that they are strait-jacketed by the classification system; that the system in some way restricts them in the assignment of duties and responsibilities to their employees. My comment is this: Neither the Classification Act nor any Commission regulation in connection with it prescribes a single duty or responsibility for any position. The assignment of duties and responsibilities is the sole prerogative of management, and classification enters the picture only after management has determined what those duties and responsibilities are.

Getting back to flexibility in assignment, this can also be provided by means of training and promotion agreements between the employing agency and the Commission, both for developing potential managers and executives and for broadening the experience of scientific and professional personnel.

In the Federal service there is a growing awareness of the importance of the contributions and the potential of individual employees. I urge all of you in the personnel field to inform yourselves fully of the various ways in which we can recognize rank in the man as well as rank in the job, and to apply them where it is appropriate.

Accomplishment of Hoover Commission Objectives

In connection with the Hoover Commission report, I feel very strongly that the American people are entitled to know the score. It is the natural thing for all of us to devote the major part of our thought and discussion to those items in the Hoover recommendations on which further action remains to be taken. And from one standpoint, it makes sense to concentrate our attention on the matters not yet attained.

From another standpoint, however, we lose a substantial part of the value of our achievements if we rush forward so zealously to take the next hill that we fail to capitalize on what has been done. Ultimately our purpose is to recruit and retain a high-quality Federal work force. Now the most attractive personnel system in the world could be completely ineffective if people didn't *know* it was attractive. Therefore we are not doing a complete job if we present the Federal personnel picture only in terms of what has *not* been done. We must continually strive to bring more fully to public attention the highly significant accomplishments of the past few years that are closely related to the recommendations, and

carry out many of the objectives, of the Hoover Commission.

For example, new vigour has been injected into the Commission's recruiting techniques in connection with the Federal-Service Entrance Examination. Most of you, I am sure, are familiar with the details of this examination—and with the facts that more than 50,000 applications have been received and that we are now scheduling the written tests on a monthly basis. The public acceptance of this examination weighs heavily for us on the prestige side of the scale, and we should do our utmost to obtain recognition of our achievement in this important area of the Hoover Commission recommendations.

Take another major area that was stressed by the Hoover Commission : employee training. By direction of the President I issued a policy statement on in-service training to the heads of all agencies in January of 1955. This was the first time a clear policy had ever been promulgated in the training area. Since that time the Civil Service Commission has negotiated 18 new training agreements with departments and agencies. Furthermore, I must point out again that we have drafted and submitted to the Congress—and are awaiting action on—a bill to provide for the training of Federal employees outside the Government.

Our recent extension of the competitive civil service for the first time in history to Federal positions in foreign countries and U.S. Territories and possessions marks achievement of another very important recommendation of the Hoover Commission. This is the most solid and far-reaching extension of the merit system in many years, affecting 30,000 positions.

These are just a few examples of outstanding achievement parallel to the recommendations of the Hoover Commission. Implementation of other recommendations is currently going forward. For instance, in line with the recommendation emphasizing the need for maximum co-ordination of wage-board systems, I have just approved a memorandum which will go out shortly to heads of departments and agencies. In general, this memorandum will request agencies to exercise their administrative authorities in co-operation with the Civil Service Commission to secure greater consistency in wage-board operations.

We are preparing a full analysis for our use and yours in giving the public the whole picture on implementation of the Hoover Commission recommendations with respect to personnel management. This follow-through is essential if we are to capitalize on the prestige and recruitment value of the excellent new elements in our career-service programme.

Scientist and Engineer Shortage

We cannot look very far forward—indeed, we cannot look around us at all—without encountering the complex problem of the shortage of scientists and engineers. The supply of scientists and engineers is inadequate. In relation to demand, it is growing smaller each day. This shortage is acute; it is qualitative as well as quantitative; and it is national in scope. Government, as a major employer of scientists and engineers, is feeling the pinch. Some agencies want authority to set their own salaries without regard to other Federal pay scales. The Interdepartmental Committee on Scientific Research and Development recently presented a formal resolution to the President, urging legislation to authorize “competitive pay and benefits” for Federal scientists and engineers.

I am convinced that there must be some adjustments in pay. The Commission is supporting agency requests for an increased number of supergrade positions and an additional number of professional and scientific research and development positions under Public Law 313. The executive pay bill recommended by the Administration would provide some relief, not only for the specific individual positions under the Executive Pay Act, but also for grade GS-18 and the special group of research and development positions.

When acute shortages exist on a national scale, as they do in science and engineering today, problems and relationships become exceedingly difficult. I am deeply concerned, for example, about the reciprocal impact of the personnel policies and practices of the Federal Government and its contractors. Present data indicate that scientists and engineers working on Government contracts receive substantially higher pay than those working directly for the Government. We are competing with ourselves and so creating a spiral in which Federal employees are too frequently at a disadvantage. We need to find a way of resolving this problem. I am not

proposing any controls, but I do feel that Federal procurement offices contracting for scientific research work may have an obligation to consider the impact of the salaries paid by their contractors on salaries in the whole field.

However, while pay is a basic factor, we cannot look to pay alone to resolve our personnel difficulties in science and engineering, or in any other shortage category. We need a pay-*plus* programme.

Additional steps need to be taken to increase Government's attractiveness as an employer. Opportunities for continued professional growth and development, for example, are known to be of major importance in attracting and holding competent professional people. Here again the urgency of the training legislation recommended by the Administration becomes apparent. Similar opportunities for training of employees are already provided—and flamboyantly advertised—by private corporations employing scientists and engineers.

Every possible effort should be made to improve the administration of research and development programmes; to make optimum use of the talent that is available; and to create conditions in which competent employees can work with maximum satisfaction, effectiveness, and productivity. The Civil Service Commission will continue to work with the agencies concerned in developing solutions to our problems.

Adjustment of Pay Scales

When I spoke (to this Society) a year ago I expressed the opinion that the conditions of modern Government called for a new approach to the problem of adjusting salary scales under the Classification Act. The intensification of the pay aspects of the scientist and engineer shortage during the past year has heavily underlined this need.

While I recognize the need from time to time for temporary, stop-gap, piece-meal action to meet a specific crisis, I am more than ever convinced that a thorough re-examination and reappraisal of the whole Federal pay philosophy is required. We need to face the pay problem with courage and vision. We need to do some real *imagineering* to develop a pay policy that will meet the needs of Federal personnel administration today and tomorrow.

For example, we uphold traditionally the principle of

equal pay for equal work. But perhaps we need to redefine our terms. Is work of a certain level in an occupation where there is an over-supply of manpower really *equal in value* to work of a comparable level in an occupation where there is an accute shortage? Again I raise the question as to whether salary rates should vary from one occupation to another, and be adjusted upward or downward as labour-market conditions change. Even under a fixed ceiling, the ability to adjust salary rates within defined occupational areas might help to meet major changes in supply and demand.

We have taken a short step in this direction in raising entrance salaries of engineers and scientists to meet recruitment competition, but in so doing we have intensified the problem of compression, which was serious enough already in terms of the present ceiling. The more we raise entrance salaries without corresponding adjustments up the line, the more we limit the scope of advancement, salary-wise. And retention can be as much of a problem as recruitment.

We must take into consideration also the fact that the present pay structure in general does not provide sufficient career incentive. Various suggestions have been advanced for making more meaningful use of withingrade increases; none of them should be dismissed without careful scrutiny.

I want to make it clear that I am not advocating any particular plan or proposal at this time; my purpose is merely to indicate how broad a field of exploration lies before us. But I am certain of two things : that salary administration in the Federal service is outmoded, and that it is periodically used as a political football. These factors alone demand a remedy. We must look realistically and objectively at the whole picture, unhampered by present practice or the traditions of the past, in order to build a truly forward-looking Federal pay policy.

In this and other problem areas the Civil Service Commission staff is making extensive studies through which—with your assistance—we will develop new plans and recommendations. Thanks to the new and better relationship between the Commission and top executive management, we can look forward to continued top-level support in the development of policies and programmes for the future and in their implementation within the executive agencies.

The New Anchal Adhikari System in Bihar

V. K. N. Menon

AMONG the administrative reforms which have been carried out, or are being introduced, in India in recent years the *Anchal Adhikari* system which is in process of implementation in Bihar must be regarded as a significant and important innovation. Stated in terms of its fundamental characteristics, the reform consists in dividing each Sub-division within a District throughout the State into a number of administrative areas called *Anchals* which are at the same time revenue administration units as well as Community Development or National Extension Service Blocks. The 18 Districts with their Sub-divisions are in this way further sub-divided into approximately 600 anchals, (597 to be exact), each in charge of an officer called the Anchal Adhikari who will be ordinarily in the cadre of Sub-deputy Collectors. Each Anchal/Block, following the pattern set by the Community Projects Administration, will, on the average, comprise 100 villages with a population of 66,000. The administrative set-up of each District will thus have a District Officer at the top, below him Sub-divisional Officers and below them the Anchal Adhikaris. But while the District Officer and the Sub-divisional Officers have revenue and magisterial functions, they will be wholly coordinating officers in matters of development. On the other hand, the Anchal Adhikari will eventually combine in himself the executive functions in respect of revenue matters with similar functions in the development field. His magisterial powers will, however, be only of a reserve or emergency character. It is to be noted that the Bihar scheme does not contemplate the integration of the revenue and development functions below the level of the Anchal Adhikari; at the lowest level, there will be separate officers in charge of the two functions.

It should be added here that in two respects the Anchal Adhikari system is only in process of implementation. Firstly, while the whole State has already been demarcated into 597 Anchals, the Adhikaris have so far been appointed only for some of them. These have been gradually appointed closely

following the process of the taking over of the Zamindaris by the State and as more officers have become available for appointment as Anchal Adhikaris. It is expected that this process will be completed in about 5 years. Secondly, although Anchal Adhikaris already exist in many Anchals, with revenue functions (and magisterial ones of a reserve character), only a few of them have so far been appointed as Block Development Officers. This is partly because the process of putting the former Zamindaris under Anchal Adhikaris has initially involved a great deal of revenue work for them, and partly also because the Community Development/National Extension areas have been in a fluid state, the areas and their types having taken time for demarcation and classification.

But, though the scheme is only in the process of implementation, it should not be understood to be just an experiment. The scheme took more than two years to mature. In its earliest stages it was concerned only with the integration of the general and the pre-existing welfare services. The idea of linking it with the Community Projects and National Extension Service plan came later. It was elaborately discussed both at the administrative and the Cabinet levels before it was finally adopted by the Government. The delay in the full implementation of the scheme has not been due to any doubts in the minds of the Government about the wisdom or likely success of the reform. (It is not implied here that political or administrative opinion is unanimously in favour of the scheme. But it is true that a majority holds that it is unavoidable, reasons of economy of personnel being also taken into account.) The delay has been due only, as said above, to the time necessary to take over the Zamindari lands, to settle the classification of the Anchals for development purposes, and also to recruit and train the required number of officers.

II

Such a scheme which combines, in the same official, revenue (and magisterial) functions with those of development is not, by any means, an entirely new departure in this country; nor is it, on merits, beyond the region of controversy. It is well-known that in Bombay State the Mamlatdar in charge of a 'Taluka', who has been traditionally a revenue

official, has also been entrusted with development functions since the Community Projects came into existence; and it is also well-known that the Planning Commission and the Programme Evaluation Organisation have been sceptical, and even critical, of such a combination of functions, especially from the point of view of the success of Community Project and National Extension plans. In this *Journal* itself, in two recent issues, (April-June, and October-December, 1955), two writers with intimate experience of the problem have discussed it, especially in the context of the integrated system in Bombay. The Bihar system has been adopted in full knowledge of the objections, on principle, to the combination of general line functions and developmental ones, and there are in fact some differences between the Bihar scheme and the Bombay pattern which should make the objections less valid.

One of these objections is based on the contention that load of revenue work is likely to be so heavy that the same officers will not have enough time to devote to development work. It is believed that in Bombay the Mamlatdar-cum-Development Officer has to devote the greater part of his time to revenue duties; and Bombay is a State with a revenue system which has been functioning along established lines for a long time. The question may be asked as to whether, in Bihar, the taking-over of the Zamindari system will not mean an even heavier load of work for the Anchal Adhikari than for the Mamlatdar in Bombay. The answer is, first of all, that the Block Development Officer's functions are only being gradually entrusted to the Anchal Adhikari, (it has already been mentioned above that the two functions have not as yet been combined in many areas) and that it is expected that the combination will be effected only when the undoubtedly heavy revenue work in the early stages after the abolition of Zamin-daris has diminished. And when this diminution has taken place, it is expected that, under a system of state ownership of land, revenue work will be less heavy than under a ryotwari system as in Bombay. Actually, the State Government has been careful to see that the heavy initial work of the Block Development Officer in the new Blocks is also completed before the combination is effected. Secondly, as regards long-term revenue duties, there is the consideration that a Mamlatdar in Bombay has jurisdiction, on the average, over an area nearly two or three times that of an average Anchal in Bihar. Further, to the extent that revenue collection is entrusted to

Panchayats, (this is the intention and even a beginning has already been made in this respect) the direct revenue work of the Anchal Adhikari will diminish further.

A second difference between the Bihar and the Bombay models is that the Anchal Adhikari has not and will not have the same functions in connection with Law and Order as the Mamlatdar of Bombay. Though it is true that in Bihar he will be vested with some magisterial powers so that, where a breach of the peace is feared or an emergency arises calling for the use of armed forces, he may take prompt and necessary action and maintain or restore peace, the Anchal Adhikari will not try criminal cases or be a magistrate in the normal way. In Bombay, on the other hand, the Mamlatdar has certain routine duties of a Law and Order kind. To the extent that a magisterial Officer should also not be in charge of developmental work, the new Bihar system appears to have less objections to meet.

Thirdly, there is the very important difference between the two systems that, in this State, it is not proposed to have, as in Bombay, an integrated system below the level of the Mamlatdar of a taluka, and right down to the level of the village. In Bombay, where the two functions are combined, the officials of the taluka and below it the village, also discharge revenue as well as development functions. The decision in Bihar has been to appoint one Inspector under each Anchal Adhikari solely for revenue work and another Inspector for developmental duties. At the village level also the two kinds of work will be in separate hands. To the extent that the combination of revenue and developmental functions has defects, the stopping of the combination at the Anchal level, and not taking it further down, limits, in one more way the possibilities of failure arising out of this integration.

It has also been calculated that it will take about five years even to recruit and train the 400-500 Sub-deputy Collectors who will be needed to make up the total of 600 officers required for the equal number of Anchal-cum-Development Blocks. And, even as it is, the necessities of Government have made unavoidable the selection of many candidates, (whether by examination or by promotion), of a lower calibre than those selected in earlier years. If the

two offices of Anchal Adhikaris and Block Development Officers are separated, the recruitment will have to be nearly doubled and the time either lengthened or the standard lowered. And, added to this, the problem of providing office and residential accommodation will become even more difficult than it is at present or will be under an integrated scheme.

III

The Bihar Government thus agrees with the critics of the Bombay scheme of integration that the traditional revenue officer, (and much less the revenue-magisterial one), is unfit, by the coercive nature of his powers and duties, to be that guide, philosopher and friend also of the villager that the Block Development Officer is expected to be. And the expectation of the Bihar Scheme is that, with the smaller area and powers that the Anchal Adhikari will have as compared with the Mamlatdar in Bombay, and with integration not proceeding lower than the Anchal level the Anchal Adhikari will find it easier to develop the right relationships with the people in development work. But the question may be asked whether this ideal of a Block Development Officer who is a guide, friend, philosopher and leader of the people is not itself a somewhat utopian one. Certainly in a democratic and welfare State, all officials will have to behave differently than in an autocratic and police State. But, how far is it possible for this development and improvement to proceed? As long as officials remain officials, appointed from above, and transferable too from place to place, it would seem that there are limits to such a process. It would appear, then, that the position of guide and friend, helping and stimulating from below, is more natural to the elected leaders of the people like those of the Panchayats who are associated with the officials in developmental work than to the officials themselves. Even those who argue for the need for such a transformation of the character of officers concerned with developmental activities, or see it as already having taken place, do not, indeed, deny the value of such elected leaders and bodies being associated with the officials concerned. But they seem to attach undue importance to the latter compared to the former, to the transformation of the officials than to the cooperation of non-official leaders. This is precisely the point which needs re-examination. In other words, the

question is which is more important in this context—integration of general and development functions in officials, or integration of official and non-official persons and bodies?

If the foregoing is true, if officials in charge of development work cannot be expected to change their character beyond a point, the conclusions to which the Government of Bihar has come in introducing the Anchal Adhikari Scheme in the way contemplated would seem to be justified, at least to some extent, even if all the arguments adduced in its favour are not. Apart from the difficulties of securing adequate personnel for a parallel and double scheme of revenue and development administration, the Government appears to believe in the possibility of making its Anchal Adhikaris/Block Development Officers into a transformed set of officials, the friends of the people rather than the agents of their rulers. One may question the possibility of fully realising this hope, and yet agree that the integration, at least along the Bihar pattern, has something at least to be said in its favour. The reform co-ordinates the two administrative aspects of government, general and welfare services at a lower and more effective level than that of the District Officer or the Sub-divisional Officer, who also are being more and more brought, through recently expanded powers and duties, into the picture of the Welfare State. Perhaps one should conceive it as the transformation of the Police State into the Welfare State rather than as the co-ordination of the two aspects of Government. And the Panchayats and other non-official bodies will themselves take time and thought to remedy their usual defects.

A decision has been definitely taken by the Government of Bihar to implement the scheme all over the State within a period of about five years, gradually extending it from those areas where Anchal Adhikaris have been already appointed for (mainly) revenue purposes to new areas and assigning to them the functions of the Block Development Officers as well. Though there is a section of opinion in the State which is not convinced of the desirability of integrating general with welfare functions even in the limited way the Government has decided, the very gradualness of the process of introduction of the reform should give an opportunity for a re-consideration of the scheme if in actual working its defects are found to outweigh its advantages. The load of work on the

Anchal Adhikari-cum-Block Development Officer, the effect of his revenue and reserve magisterial powers on his psychology and influence as a Development Officer, the manner in which the Panchayats discharge their additional duties, have all to be carefully watched in operation. And if the view prevails in the end that the separation of the two functions is best, it may be desirable also to consider the possibility of envisaging a larger unit of area for the revenue officer than for the Block Development Officer.



The administrator is the master-arranger : if he is neither an originator nor a producer in the ordinary sense he is most certainly an originator and a producer of organization. This is his main function, around which all the other activities of the senior administrator cluster; the closest of these—namely, planning and co-ordination—being nothing without organization.

—E. N. GLADDEN

(in *'The Essentials of Public Administration'*)

Advance Towards Metric*

Pitambar Pant

THOUGH the metric system is by itself simple and the decision to introduce this reform in the country is timely, yet the implementation of the reform requires careful thinking and planning. The task has many aspects. There is first, the all important need of popularising the new system among the masses and to make them perceive its advantages. No less important is the necessity of securing in proper time a full supply of weights and measures and measuring instruments required for changing over to the metric system. There is further the need of close coordination between the programmes of conversion for the different sectors of the national economy, so that they keep step with each other and complications in the dealings of one department with another, as may arise from too hurried a reform in any one department in the absence of suitable conditions in connected fields, are avoided.

To facilitate its task, the Government of India has set up a Standing Metric Committee under the Chairmanship of the Minister of Industries. The Committee is composed of the representatives of the eight Ministries most closely concerned, the Planning Commission and the Indian Standards Institution. It is the responsibility of the Standing Metric Committee to study all questions concerning the introduction of the metric system and advise on the manner and phasing of the change, to coordinate the programmes in different sectors and to conciliate diverse interests so as to facilitate speedy and smooth implementation of the reform.

New Plants to Adopt the Metric System

The very first thing to do is to take steps that nothing new is done to add to the difficulties of the task. The application of metric system to manufacturing and mechanical and other forms of construction engineering, where the British foot-pound units have long been in use, would constitute one

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of the most difficult problems of conversion. It is for this reason that the Standing Metric Committee emphasised at its very first meeting a year ago, that whenever new plant or machinery is ordered or a new line of production is established in India, care should be taken to ensure that the equipment ordered as well as the line of production established is based on the metric system, so that no transitional difficulties in respect of these arise in the future. This recommendation was reiterated by the Committee in its second meeting as well as in the third. The Ministry of Commerce and Industry have communicated the decision to all Ministries, to State Governments and to organisations of trade, commerce and industry in the private sector.

It would, however, be unrealistic to assume that the above recommendation would be observed automatically. A tendency to stay in the old system would be neither unnatural nor uncommon. That will be the line of least resistance. Plausible reasons might be advanced, such as the likely delay in production if the older system of units was not persisted in. Only close technical scrutiny and constant vigilance will succeed in countering the tendency. This consideration is as important for our major state enterprises as for others. All Ministries will have, therefore, to be careful that the establishments under them follow the principle; the Ministry of Commerce and Industry, in particular, will have to exercise close supervision and ensure that orders for machinery and equipment for new units of production are placed abroad only on metric sizes, except when there are very special reasons justifying a departure from the normal rule. Enlightened vigilance now would save much trouble and expense later. Once it is made sure that new equipment and machinery will be installed only in the metric system, this will by itself reduce rapidly the relative proportion of the sector using non-metric units. Every exception will delay this outcome.

Metric Committees

Before the Standing Metric Committee can draw up a phased programme applicable to all sectors, which takes into account the needs and difficulties of each sector, it must have before it detailed plans of various departments. On the recommendations of the Central Committee, several Ministries and Departments and practically all the State Governments have set up Metric Committees to consider problems likely to

be encountered and to formulate phased programmes for transition. A technical Sub-Committee of the Standing Metric Committee, with the Chief Industrial Adviser to Government as its Convener, has been appointed to deal with any technical problems which the Departmental and State Committees might refer to it for advice.

Some of these Departmental Committees have drawn up outlines of their programmes; others are collecting data which would enable them to do so. The State Committees have also done useful work. But it appears they would proceed faster if there was an early enactment of Central Legislation establishing the metric system of weights and measures.

Bill to Establish Standards of Weights and Measures

The Standing Metric Committee has finalised a draft Bill which seeks to establish standards of length (*metre*), mass (*kilogram*), time (*second*), area (*square metre*), volume (*cubic metre*) and capacity (*litre*), temperature (*degree centigrade*) and other scientific units of measurement such as those for electric potential, resistance current, luminous intensity and the like. The definitions of these units and their nomenclature follow international practice. The draft Bill authorises the Central Government to declare, by notification in the Official Gazette, the magnitude and denomination of such units of mass and measure as it thinks fit to be secondary units of mass and measure, provided that every such secondary unit of mass and measure shall be an integral power of 10 (positive or negative) of any of the appropriate primary units. This would ensure that all multiples and sub-multiples are on the decimal scale.

An important feature of the Bill is that it lays down that it shall come into force on such date, not being later than 10 years from the passing of the Act, as the Central Government by notification in the Official Gazette appoint, and that different dates may be appointed for the coming into force of different provisions of the Act or for different areas or for different classes of undertakings or for different classes of goods. The metric reform is thus proposed to be introduced fully within a decade in every activity—production, trade, education, social relations, etc.

The draft Bill, after it has received the consideration of the Cabinet, is expected to be presented to Parliament this year.

As Parliament has already approved of the proposed reform, in principle, it may be hoped that the Bill will have an easy passage.

Amendment of the Constitution

It may be expected that the State Governments will soon follow suit with their Acts, which will provide for enforcement of the standards laid down. As uniformity in procedure and practice, and in timing and phasing of the reform is an essential condition for its success, guidance and coordination by the Centre are very necessary. Unfortunately, according to the present constitutional position, the Union Government can only establish standards of weights and measures; all other matters connected with weights and measures lie in the field of responsibility of the State Governments. The exclusion of the Central Government's authority from the field of actually carrying out the purpose of Act might stand in the way of effective implementation of the reform in a systematic and coordinated manner. It is of importance that all States should simultaneously and with equal vigour follow an integrated programme on a uniform pattern. Without a Central coordinating authority, with legal sanctions, it is difficult to achieve such concerted and unified action in the States. For this reason it may be necessary to amend the Constitution so as to transfer the item "Weights and Measures" to the Concurrent List. Any law made by Parliament on any aspect of the subject would then be binding on all States.

Nomenclature for Metric Units

The question arises whether our country should adopt the international terminology or coin new terms for the metric units. Practically all countries of the world who have adopted the metric system (and they comprise more than four-fifths of the world's population), have adopted the international names of the units of the system, except that sometimes the spellings and pronunciation are adapted to the national language and the prefixing words such as 'square' and 'cube' are translated into the national language. The sole exception seems to be China, where the metric units have got names in the national language also. The metric system was introduced in China long ago but the rules and regulations on weights and measures are still under compilation. It will be

interesting to see what policy is adopted in regard to the nomenclature for the metric units when the new rules are framed.

The Special Committee of the Indian Standards Institution on weights and measures and the Board of Terminology in the Ministry of Education have favoured the use of international terminology. The State Committees of Madras, Travancore-Cochin, Andhra, Orissa, Punjab and significantly, Uttar Pradesh, have expressed themselves in support of adopting the international nomenclature.

There are some who favour the adoption of the primary units, 'metre', 'gram' and 'litre', but would prefer the prefixes to be suitably translated in Indian equivalents. The novelty to be achieved thereby may not be enough compensation for the inconvenience resulting from departing from international usage. Unnecessary work and difficulties of comprehension will be added.

Some others think that international terminology will not be acceptable to the masses and terms like '*maund*', '*ser*', '*chhatak*', '*gaz*', '*girah*', '*angul*', etc., which are now widely understood, should be retained although their content may be changed and made to correspond with the units of the metric system. It is asserted that we should have terms with roots in Sanskrit and other Indian languages ; that absorption of foreign terms would make a hotch-potch of our languages; that scientific terms must be translated if the ordinary man in the country is to be made science-conscious and that it should not be difficult to coin about 20 words for the metric units. It is difficult to understand what advantage is gained by searching for new terms which nobody understands. Foreign words are being added continuously and in large numbers to our languages which are all the richer for it. The terms of the international metric system are already part of our vocabulary and are taught in schools and some are even in frequent use. For example, the metre is well-known in connection with metre-gauge railway, or in relation to the wave length, associated with our radio stations. Gram is common in new medicines; injections are given in cubic centimetres. The units of the metric system are no more foreign than acre, gallon, pound, feet and inch, all of which have found currency without getting translated in Indian languages.

Some other advocates of the metric reform, though they favour the adoption of international terminology for scientific

and technological purposes, hold that terms like *maund* and *ser* should be retained for common use; it is claimed that such a course would facilitate the carrying out of the reform. The point is not fully realised that where there is a great medley of names, sometimes the same name representing completely different quantities at different places, it would be idle to search for terms of common usage which could be adopted for the units of a well-defined scientific system. Even if stray terms such as *ser* and *gaz* are adopted in the place of kilogram and metre, the derived units, multiples and sub-multiples, will present difficulties. Moreover, the advantages of a unified, single terminology, suitable alike for science, technology, commerce, and international intercourse—which is the main advantage of adopting the international metric system *in toto*—would be lost in exchange of a doubtful pride at national improvisation in a field where such an effort is without much value.

The Standing Metric Committee, having carefully considered this question, has decided that the international nomenclature should be adopted *in toto*.

The Prime Minister has supported this view in the following words :—

“Having decided to adopt the metric system, there seems to me no help for it but that we adopt the international nomenclature also. Any change in the existing system of weights and measures will necessarily create confusion and opposition for some time. It is this change that is the important thing and not the names we give to the new weights and measures. The change has been decided upon and therefore this difficulty has anyhow to be faced. It is not lessened in any way by evolving a new nomenclature.

“It is not a question of finding Indian equivalents. If there were real Indian equivalents, one might consider using them. But there is no equivalent to a metre or a litre or a gram or an ampere or candela or a second (I believe second is commonly used in Hindi).

“We cannot call a metre a *gaz*. That would be wrong and confusing. We have to call it by some

other name which will be completely artificial and without any real significance. This would apply to the other terms also. I really cannot understand what advantage is gained by searching for new terms which nobody understands. After all, some people at least understand metre, gram, etc.

“But the real point is there is advantage in using international terminology. This advantage is very great. In any event, our scientists and technicians will use international terminology. They cannot do without it. Thus we may have two sets of terms and that will not add to clarity.

“Also, it will be no easy matter to impose a new set of artificial terms all over India in the various languages. There might well be vigorous arguments on behalf of the different Indian languages about these terms, even though they might be derived from Sanskrit. There will be no such argument if we adopt the international terminology.

“I am, therefore, clearly of opinion that the majority view of the Sub-Committee on Nomenclature, that is, in favour of the adoption of international nomenclature *in toto*, is the right view and should be supported.”

Publicity

Publicity for the reform need not wait for the passage of the Bill. An intensive campaign should be launched to educate the masses to appreciate the defects in the present system and the advantages the metric reform will bring. Ultimately the success of a reform of such wide impact as this will depend on the active and willing cooperation of those for whose benefit the reform is intended. Extensive publicity for the reform will promote and ensure its implementation and what cannot be done by compulsory regulations may be secured by means of right propaganda. Besides utilising the usual means of publicity such as pamphlets and booklets, feature articles in newspapers and journals, talks and discussions broadcast on the radio, exhibitions, films, illustrated charts and wall-posters and so forth, it would be useful to organise cadres of lecturers to carry out the campaign. It may be easy and profitable to utilise the student community

of the higher educational institutions and higher professional colleges for doing publicity for the metric system, during vacations. Retired army personnel, who would have received instructions in the metric system during their service in the army, could be persuaded to turn their attention to popularising the metric system in the rural areas on their retirement and return to their native homes. Demonstrations and lectures in rural libraries or community centres can do much to make the masses perceive the advantages, the simplicity and the convenience of the metric system in contrast to the systems in current use.

In our Community Projects we have a ready-made agency to put life and drive in such a campaign. Similarly, all other agencies which come into direct contact with the peasant masses should take a hand in explaining the superiority of the new system to the people and the need for its early introduction.

An important role can be played by one or two journals, quarterly or monthly, which may be brought out under the auspices of the Standing Metric Committee. They should be attractive and contain readable, informative articles, reviews and notes written with a view to arousing interest in the reform, explain its advantages, deal with difficulties that may be encountered in its implementation, describe and evaluate the progress in different sectors and different parts of the economy. Translations in important regional languages would also be necessary.

The enlisting of the fullest local initiative, with Central assistance and guidance, should be the policy. A beginning has been made by setting up a special cell in the Ministry of Information and Broadcasting and appointing a Campaign Officer to look after this work, which will be guided, in matters of policy, by the Standing Metric Committee.

Education

Young children can be turned into the strongest supporters of the reform after they have grasped the simplicity of the metric system early in their school careers. They should prove the best teachers for their elders and may at least soften their resistance to the new system if not secure their support and understanding of it.

Schools can become a very powerful instrument to popularise the metric system, if the teaching of arithmetic is properly reoriented. For this it is necessary that from the very beginning, the students should learn measurements exclusively in the metric system. The earliest lessons in arithmetic should require them to measure for example, the length of the room, or table, in metres and centimetres. The same applies to the kilogram and the gram. This is not to say that it is not desirable for them to know anything about weights and measures currently in vogue. That is essential, as it is necessary to know about all other phenomena of surrounding life. But acquaintance with the current system should come only after the children have mastered the units of the metric system. The new measure will be in their case, basic and unique to measure quantities with and there is no need to direct their attention to measures that are soon to be replaced and calculations in which, after some time, are due to be prohibited.

As instruction proceeds, stress should be laid on driving home the ease of operation with metric units and the economy effected by their use. Problems to be solved should be given in metric units and computation should be kept within the metric system. The primacy of fractions and the complicated calculations involved in their use will be ended, giving place to the easy decimal system of calculation. This will involve a radical rewriting of arithmetic textbooks. A mechanical addition of a new chapter on metric system will not serve the purpose. It is important, therefore, that very early attention is given to this matter. The Ministry of Education has to take the initiative. Textbooks on arithmetic, used in schools of countries which have adopted the metric system, such as France, Germany, U.S.S.R. would be of value for suggesting lines on which our new textbooks may be written. A good idea may be to offer prizes for the best sets of arithmetic textbooks. This is likely to spur creative and constructive minds to action and may bring valuable contributions. Books which are adjudged best can be published as model textbooks.

Along with the preparation of suitable textbooks, the teachers must be trained to understand and appreciate the superiority of the metric system as well as the need for a uniform system of measurement throughout the world. Special refresher courses will have to be organised for them and instructive material made freely available.

Similarly, urgent attention has to be given to impart training in the metric system in technical and professional institutions. Arrangements have also to be made to train employees and workers in the use of the new system.

Supply of Weights and Measures

The supply of the new weights and measures will determine, to a large extent, the pace at which the reform can be implemented as well as the degree of popular acceptance it receives. As uniformity is the objective, weights and measures all over the country should have not only the same value but the same shape and size. Standardisation of design and specification of weights and various types of measures thus assumes great urgency and importance. It has been decided that by October 1956, the Indian Standards Institution will be ready with the design of weights and common measures, so that large scale manufacture of these can be taken in hand.

A survey of the diverse kinds of measuring instruments at present in use would be of great value not only in evaluating the needs of different types of equipment but also for providing a basis for standardizing them, and reducing the number of types by selecting those which serve the purpose best.

The supply of weights and measures in adequate number and at the right time will require much planning and organisation. It is desirable that a special organisation should be set up in the Ministry of Commerce and Industry which should be responsible for the preparation and supply of metric weights and measures. This organisation should work closely with the Indian Standards Institution and the National Physical Laboratory from whom it should receive guidance in the matter of designs of various weights and equipment to be manufactured, research and production possibilities and the manner of bringing about alterations in the existing equipment. The designs and specifications should be drawn by the Indian Standards Institution on a careful examination of the various types of measures which are in demand and the technical specifications ought to be such as to exclude the possibility of faulty manufacture.

There is a great need for standardising and rationalizing the form and design of instruments of measurements. If too many types of such instruments are permitted, it would be

difficult to develop mass production of required components. The more standardized the equipment, the easier it would be to meet the requirements earlier. This organization for supply of weights and measures should undertake the manufacture and supply of diverse kinds of measuring instruments, iron weights, brass weights, various kinds of balances, mugs and containers for capacity, measuring rules and tapes, micrometres and other measuring instruments. It should also have, under its control, small factories for repairs and assemblage in various parts of the country. It need not produce all the articles in its own factories. It may very well take advantage of the production capacities of existing units and arrange through them the production of the requisite number of items of different types according to estimated requirements. The iron foundries may be asked to prepare the pig iron weights, machine industries and special manufacturing establishments to produce commercial scales, the punching industries may be asked to produce mugs and capacities, wood working and mechanical workshops may produce measures of length and factories for precision machinery may take up the manufacture of precision balances. A good deal of this work may be entrusted to the Ordnance Factories which have spare capacity and surplus labour. Mass production of standardised items brings about large scale economies and offers scope for introduction of quality control methods, ensuring quality and precision of the products and requiring only a fraction of the normal inspection. Moreover, the weights coming out of these Government factories would be already certified accurate. There is much to be said, therefore, for government taking a big hand in the manufacture and supply of the new weights and measures.

Enforcement

It is a matter of common knowledge that few States have adequate machinery to enforce the present laws relating to weights and measures. This gap has to be filled very expeditiously.

One of the best organized States in this respect is Bombay, and one might draw some rough conclusions regarding the organisational needs from the experience of Bombay. The whole of Bombay State has been divided for purposes of enforcement of weights-and-measures laws into 94 divisions, each division having about 3,000 to 3,500 trading

establishments. For each such division there is one inspector, assisted by a manual assistant and a peon. 16 such divisions are supervised by one Assistant Director and an Industries Officer. At the head of the organisation is the State's Director of Industries. The receipts from fees for stamping and verification exceed the cost of maintaining the Inspectorate. Far from being a source of expenditure to the State, this activity of enforcing the laws relating to weights and measures yields a substantial net revenue of about Rs. 2 lakhs a year to the State Government.

There are, roughly 40 lakh trading establishments in the whole of India. Assuming that for appropriate supervision one inspector should have under his jurisdiction, in the initial stages, about 2,500 such establishments, there would be approximately 1,600 inspection divisions all over the country. That is, for a population of roughly 250,000 there would be one inspector, or in other words, an average district having 12.5 lakh population will have 5 such divisions. In the 16 States of India there would, in all, be 1,600 divisions, each having an inspector assisted by a manual assistant, 16 such inspectors coming under the supervision of an Assistant Director. As the work of enforcement of weights and measures would entail heavy responsibility in the early stages, it might be necessary to appoint a whole-time Deputy Director of Industries, especially charged with the responsibility of the implementation of the reform in each State. The fees for verification and stamping should be such that the cost of administration is fully met. At the same time the cost of the new weights and measures should be kept very low and may even be subsidised so as to be within the reach of every trader.

Opportunity for Rationalisation

The introduction of the metric system would provide an opportunity for rationalisation of the most diverse aspects of the national economy. The occasion for conversion to metric units may also be utilised to bring about standardisation of designs and specifications of products; standardisation, in turn, would promote a quicker transition to the metric system. From this point of view, standards relating to commodities mostly used by the population as well as standards relating to their packing are of great importance. A plan for the implementation of the metric reform should, therefore,

encourage the working out, and the use in practice, of standards relating to goods in extensive use. The following list gives a number of items which, if standardised on the basis of metric units, will strengthen the hold of the metric system among the people. The introduction of standardization will also achieve important economies in production and in trade.

Packings : bags for cereals; bags for coal; tins for different uses, for example, petroleum products, vegetable oil, ghee, paints and varnishes; boxes for confectionaries; packets for sugar, tea, cocoa, coffee, dried fruits, salt, soap, etc.; sizes of packets for cotton, wool, tobacco.

Vessels of capacity : glass bottles, phials and containers.

Metric instruments : weights, measures, balances, various types of instruments.

Cloth and yarn : lengths of pieces and loom width, fineness of thread, etc.

Building material : bricks, tiles, roofing material, bolts and handles for windows and doors; window panes; water pipes and parts thereof; sizes of windows and doors; steel sections.

Paper size : formats of books.

Instead of mechanically translating the original design into the new units, it would be useful to examine the design itself and see if it can be replaced by a new and improved design, using metric units. There is a great deal of room for such improvement and the cumulative effect of the effort would be to bring about the much needed rationalisation in every branch of national economy, resulting in considerable economy in the use of national resources.

The Indian Standards Institution is well equipped to carry out this task and is also well aware of the possibilities of the situation. It already has a plan for conversion of all Indian standards in the metric system within a period of ten years. What is needed is a scheme of priorities according to which the work will be carried out and this scheme should be such as to help considerably in expediting the metric reform and making the transition as smooth as possible.

Social Insurance Administration in India

V. M. Albuquerque

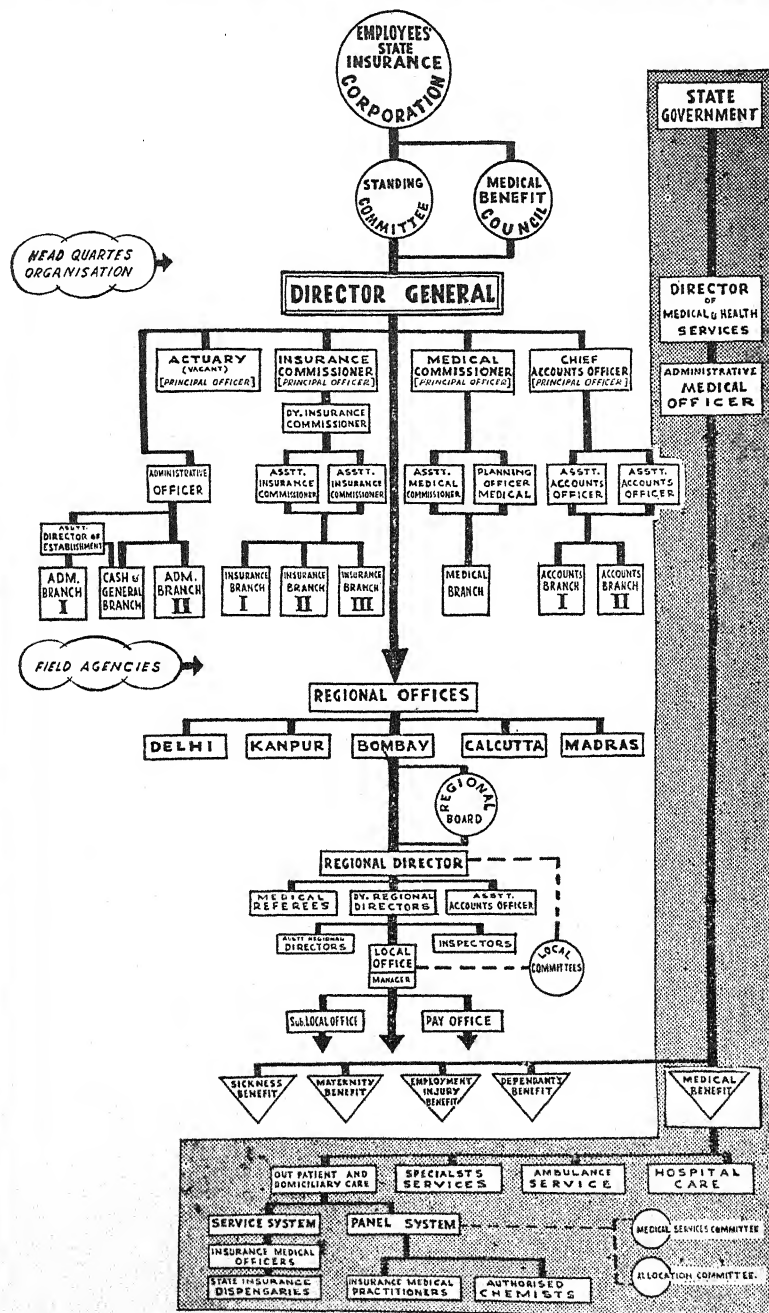
IN an industrial economy, the majority of citizens depend on their capacity to put in a day's labour for meeting the day's needs. Sickness, accident, old age, death and maternity are some of the contingencies which interrupt the daily income and create want. Social security schemes are designed to prevent this want. Such schemes may be financed from general revenues (social assistance) or may be contributory in character (social insurance). They may provide benefits at flat rates to all, irrespective of income variations, or the benefits may correspond to income or contributions or family status.

All such schemes, however, have one common feature. They recognize the social justice of pooling risks and resources, so that all those exposed to the same risk finance the scheme though the benefits are made available only to those who actually need them. Under the social assistance approach, the benefits are derived from general revenues and this is justified only when they can be granted to all citizens who are in want. In underdeveloped countries with limited resources, a beginning can only be made to cover selected sectors of the population, and so the social insurance approach is more practicable. This is what the Employees' State Insurance Act, which was passed in 1948, attempts to follow.

The Present Scheme and the Administrative Agencies for its Execution

At present, the Employees' State Insurance Act applies to factories other than seasonal, using power in the manufacturing process and wherein 20 or more persons work. Insurable persons include manual as well as clerical, supervisory and technical personnel whose remuneration does not exceed Rs. 400 per month. The Act can, in due course, be extended to any other establishment, industrial, commercial, agricultural, or otherwise. The present coverage is, therefore, a nucleus of social insurance which can gradually extend to wider sections of the population.

ORGANISATIONAL SET UP OF THE EMPLOYEES' STATE INSURANCE SCHEME.



(Figure 1)

PROGRESS CONTROL CHART **CODED STEPS TO BE COMPLETED BY STATE GOVT. TO IMPLEMENT THE E.S.I. SCHEME IN THE STATE/AREA(S)**

CODE NO.		TIME SCHEDULE
C-01-M	SURVEY OF A. RESIDENTIAL CONCENTRATION OF INSURABLE PERSONS; B. EXISTING MEDICAL FACILITIES IN THOSE LOCALITIES, AND C. EXISTING EMPLOYERS' MEDICAL FACILITIES.	A MINUS 12 A MINUS 9
C-02-M	PLANNING OF OVERALL BUDGET	
C-03-CO	LETTER TO CORPORATION BY THE STATE GOVERNMENT CONVEYING:- A. AGREEMENT IN PRINCIPLE FOR SHARING THE COST OF MEDICAL BENEFIT. B. RECOMMENDATION FOR SYSTEM OF MEDICAL TREATMENT. C. SUGGESTED PLACE OR PAGES FOR IMPLEMENTATION. D. RECOMMENDATION FOR PROVISIONAL TARGET DATE OR DATES.	AS SOON AS POSSIBLE. A MINUS 6
C-04-M	APPOINTMENT OF A.M.O. AND HIS NUCLEAR STAFF.	A MINUS 6
C-05-M	E.S.I. (MEDICAL BENEFIT) RULES:- A. PUBLICATION FOR COMMENTS. B. FINAL PUBLICATION.	A MINUS 4 A MINUS 1
C-06-M	NECESSARY BUDGET PROVISION FOR MEDICAL CARE.	A MINUS 3
C-07-CO	E.I. COURT RULES:- A. PUBLICATION FOR COMMENTS. B. FINAL PUBLICATION. C. ENFORCEMENT.	A MINUS 6 A MINUS 3 A MINUS 1 A MINUS 3 A MINUS 1
C-08-CO	BUDGET PROVISION FOR E.I. COURTS.	
C-09-CO	SETTING UP OF E.I. COURTS.	A MINUS 1

PLANNING FOR GENERAL MEDICAL CARE

CODE NO.	UNDER THE PANEL SYSTEM.	TIME SCHEDULE	CODE NO.	UNDER THE SERVICE SYSTEM.	TIME SCHEDULE
C-10-M/1-(C)	DETERMINATION OF AREAS FOR DOCTORS.	AS EARLY AS POSSIBLE	C-10-M/1-(S)	SITING OF PLACES FOR DISPENSARIES.	AS EARLY AS POSSIBLE
C-10-M/2-(C)	ARRANGEMENTS FOR INCLUSION OF DOCTORS ON MEDICAL -LIST:- A SETTLEMENT OF TERMS AND CONDITIONS. B. SELECTION THROUGH ALLOCATION COMMITTEE & INDIVIDUAL AGREEMENT WITH PANEL DOCTORS.	A MINUS 1	C-10-M/2-(S)	ACQUISITION OR CONSTRUCTION OF PREMISES OF DISPENSARIES EQUIPMENT OF DISPENSARIES WITH FURNITURE, DRUGS, APPLIANCES AND FORMS.	A MINUS 3
C-10-M/3-(C)	ALTERNATIVE ARRANGEMENTS IN LIEU OF PANEL DOCTORS, WHEREVER NECESSARY	A MINUS 1	C-10-M/4-(S)	ARRANGEMENTS FOR SPECIAL MEDICINES.	A MINUS 1
C-10-M/4-(C)	TRAINING OF DOCTORS.	A MINUS 1	C-10-M/5-(S)	RECRUITMENT OF MEDICAL & OTHER PERSONNEL.	A MINUS 1
C-10-M/5-(C)	ACCEPTANCE OF INSURED PERSONS BY DOCTORS.	A MINUS 1 TO A	C-10-M/6-(S)	DELEGATION OF POWERS TO REGIONAL-DIRECTOR-TO ALLOT INSURED PERSONS TO DISPENSARIES.	A MINUS 1 TO A
C-10-M/6-(C)	SUPPLY OF FORMS, VIZ. REPLY-PAD ENVELOPES, PRESCRIPTION FORMS	A MINUS 1	C-10-M/7-(S)		A MINUS 3
C-10-M/7-(C)	DISPENSING ARRANGEMENTS	A MINUS 1			

SEE
EXPLANATORY
NOTES.

CODE NO.		TIME SCHEDULE
C-11-M	AGREEMENT WITH EMPLOYERS FOR UTILISATION OF THEIR EXISTING MEDICAL FACILITIES	A MINUS 1
C-12-M	ARRANGEMENTS FOR HOSPITALISATION.	A MINUS 1
C-13-M	ARRANGEMENTS FOR EMERGENCY AND ACCIDENT SERVICES.	A MINUS 1
C-14-M	ARRANGEMENTS FOR PATHOLOGICAL SERVICE.	A MINUS 1
C-15-M	ARRANGEMENTS FOR X-RAY SERVICE.	A MINUS 1
C-16-M	ARRANGEMENTS FOR AMBULANCE SERVICE.	A MINUS 1
C-17-M	ARRANGEMENTS FOR MATERNITY SERVICE.	A MINUS 1
C-18-M	ARRANGEMENTS FOR SPECIALIST SERVICE.	A MINUS 1
C-19-M	SETTING UP OF MEDICAL BOARDS FOR EMPLOYMENT-INJURY CASES.	A MINUS 1

★ WHILE PLANNING FOR GENERAL MEDICAL CARE, DUE REGARD MAY BE PAID TO ENTERING INTO AGREEMENTS WITH EMPLOYERS FOR UTILISATION OF THEIR EXISTING MEDICAL FACILITIES - TIME SCHEDULE - 'A' STANDS FOR 'APPOINTED DAY' FOR ANY AREA. NUMERALS INDICATE 'MONTHS'. [- IF CONSIDERED NECESSARY.]

C-20-CO RECOMMENDATION OF THE STATE GOVT. FOR FINAL TARGET DATE(S) & EXACT ZONE OR ZONES OF IMPLEMENTATION A-2

(Figure 2)

PROGRESS CONTROL CHART

REQUIREMENTS TO BE COMPLETED
BEFORE THE IMPLEMENTATION OF THE SCHEME IN ANY STATE/AREA(s)

BY THE CORPORATION

CODE NUMBER		TIME SCHEDULE
C-21-INS.	DETERMINATION OF NUMBER & SIZE OF LOCAL OFFICES IN EACH AREA.	A-8; A-4**
C-22-AG.	WORKING OUT OF STAFF REQUIREMENTS.	AS SOON AS POSSIBLE
C-23-INS.	[a] NECESSARY BUDGET PROVISION IN CORPORATION'S BUDGET.	A-12.
	[b] ALLOTMENT OF FUNDS.	A-6; A-4**
C-24-INS.	ACQUISITION OF PREMISES FOR LOCAL OFFICES.....	A-6; A-4**
C-25-INS.	WORKING OUT REQUIREMENTS OF FORMS.	
	[a] FOR REGISTRATION.	A-6.
	[b] FOR OTHERS.	A-3.
C-26-AG.	ARRANGEMENTS FOR PRINTING OF FORMS	A-6.
C-27-AG.	SUPPLY OF FORMS.	A-5.
C-28-AG.	ARRANGEMENTS FOR SUPPLY OF OFFICE STATIONERY	A-6.
C-29-INS.	ARRANGEMENTS FOR GENERAL OFFICE EQUIPMENT.	A-3.
C-30-INS.	ARRANGEMENTS FOR SPECIAL EQUIPMENT.	A-2.
C-31-INS.	ARRANGEMENTS FOR 'ADREMA'	A-4; A-3**
C-32-AG.	SANCTION OF STAFF [a] BY THE STANDING COMMITTEE.	A-12.
	[b] BY THE REGIONAL BOARD/ DIRECTOR GENERAL.	A-9.
C-33-AG.	RECRUITMENT OF STAFF:- [a] ADVERTISEMENT.	A-9; A-6**
	[b] SELECTION.	A-6; A-4**
	[c] JOINING.	A-5; A-4**
C-34-AG.	POSTING OF NUCLEAR STAFF.	AS SOON AS POSSIBLE
C-35-INS.	TRAINING OF EMPLOYERS' STAFF:- [a] OFFICERS	A-5; A-3**
	[b] STAFF.	
C-36-INS.	TRAINING OF CORPORATION STAFF.	A-3; A-2**
C-37-CO.	ARRANGMENTS FOR PUBLICITY THROUGH	
	[a] CONTACTS WITH EMPLOYERS.	A-4; A-3**
	[b] CONTACTS WITH TRADE UNIONS & WORKS COMMITTEES	
	[c] ADDRESSING MEETINGS OF EMPLOYEES.	
	[d] POSTERS, FILMS AND PAMPHLETS.	
C-38-CO.	SUPPLY OF POSTERS AND PAMPHLETS.	A-3.
C-39-INS.	[a] REGISTRATION OF INSURED PERSONS.	A-3.
	[b] SETTING UP OF RECORDS.	A.
C-40-CO.	ARRANGEMENTS FOR INAUGURATION.	A-1/2
C-41-CO.	NOTIFICATION REGARDING 1 ST CONTRIBUTION & BENEFIT PERIODS.	A-1
C-42-A.	ARRANGEMENTS FOR SALE OF CONTRIBUTION STAMPS.	A-1
C-43-A.	ARRANGEMENTS FOR BANKING.	A-1
BY THE CENTRAL GOVERNMENT		
C-50-CO.	NOTIFICATION GIVING TWO MONTHS NOTICE UNDER SECTION 73A (ii) IF NECESSARY.	A-4
C-51-CO.	NOTIFICATION REGARDING VARYING THE EMPLOYERS' SPECIAL CONTRIBUTION RATE, IF NECESSARY.	A-1.
C-52-CO.	NOTIFICATION BRINGING INTO FORCE CHAPTERS IV & V OF THE ACT, FROM A SPECIFIED TARGET DATE IN A SPECIFIED AREA OF IMPLEMENTATION.	A-1.

+ FOR LARGE CENTRES ++ FOR SMALL CENTRES

(Figure 3)

The benefits provided under the Scheme are of two types—(i) medical care supplied in kind, and (ii) cash benefits which are payable in the event of sickness, maternity and employment injury. These benefits, which are of uniform standard are financed out of contributions from employers and employees and earnings on investments—all these contributing to the Employees' State Insurance Fund. During the first five years, the Central Government made a grant equivalent to two-thirds of the administrative expenditure. The Act has placed the responsibility for providing medical care on State Governments and they also share a quarter of its cost at present, the remainder being met by the Fund.

The responsibility of administering the provisions of the Act has been vested in a statutory body called the Employees' State Insurance Corporation. This body consists of 39 members representing the Central Government, the State Governments, employers, employees, the medical profession and Parliament. The Union Ministers for Labour and Health are the Chairman and Vice-Chairman of the Corporation respectively. A smaller body called the Standing Committee representing the same interests acts as the executive. A Medical Benefit Council of a similar representative nature advises the Corporation on all matters relating to medical care. The Director-General is the Chief Executive Officer of the Corporation and he is assisted by four Principal Officers on insurance, medical, accounts and actuarial matters.

For administrative convenience, five Regional Offices have been set up at Delhi, Kanpur, Bombay, Calcutta and Madras. Regional Boards, which closely follow the representative pattern of the Corporation, have also been set up. These were started as purely advisory bodies but have recently been delegated certain executive and financial powers. There is also a provision for setting up advisory Local Committees.

Contact with insured persons is maintained through Local Offices which have been set up in areas where the Scheme is fully in force. At the Local Offices, insured persons present their claims, receive payment and are helped to secure the benefits under the Scheme. The Regional Offices supervise the administration of the Local Offices, maintain the necessary accounts and central records and arrange for the collection of contributions and inspections. The Headquarters

Office deals mainly with the formulation of policy, ensures its execution, and coordinates the interpretations and views taken in various matters throughout the organisation.

The organisational set-up of the Corporation is shown in figure 1 (p. 155). The nominations of representatives of employers and employees on the Regional Boards and Local Committees at times present a delicate problem. The Corporation is naturally anxious to deal with all trade unions irrespective of their affiliations on an impartial basis. At the same time it is not possible to give representation on the various bodies to all organisations and in any case such representation cannot always be equal. The Employees' State Insurance (General) Regulations, therefore, lay down that in regard to the organisations which are to be asked to nominate representatives, the State Government should be consulted. The State Governments are in the best position to judge which organisations are the most representative of the interest concerned. As regards the representation on the Corporation, the Standing Committee and the Medical Benefit Council, the nominations are made from such organisations as the Central Government considers appropriate.

It is evident from the above short account that the Scheme is essentially a democratic venture in cooperation between the Central Government, the States, employers, employees and the medical profession. An enterprise in which such a variety of interests collaborate is bound to present singular administrative problems. There has been no dearth of such problems but at the same time, there has been no lack of mutual goodwill to solve them.

The Scheme as an Experiment in Shared Responsibility

The Employees' State Insurance Scheme represents a unique experiment in sharing of responsibility between the Union (as represented by the Corporation) and the States. social security and social insurance are included in List III (Concurrent List) of the VIIIth Schedule of the Constitution of India while public health, sanitation, hospitals and dispensaries are in List II (State List). The Employees' State Insurance Act, though it is a Central Act, provides that arrangement for medical care under the Scheme should be made by the State Government. It also provides for the sharing of the cost between the State Government and the

Corporation by agreement, and in default of an agreement for decision by an Arbitrator appointed by the Chief Justice of India whose award is binding on both parties.

The Scheme envisaged the provision of medical and cash benefits to about 20 lakhs* of employees all over India in the first instance. This was no small task. Lack of experience dictated a cautious approach. It was, therefore, decided to introduce it as a pilot project in Delhi and Kanpur and to utilise the experience so gained in further implementation. This decision precipitated the first major crisis. The employers in these areas strongly represented that the proposal would place them under a competitive handicap. It was pointed out that while the employers in the 'implemented'** areas would shoulder the burden of contributions those in the 'non-implemented' areas would be immune from such a liability. A solution was ultimately found by an amendment of the Act in 1951 under which the employers' contribution, which under the original Act, was payable in 'implemented' areas only, was spread over employers throughout the country. The Act as amended requires employers to pay $1\frac{1}{4}\%$ of the wages as a contribution in 'implemented' areas and $\frac{3}{4}\%$ in 'non-implemented' areas, the Central Government being empowered to raise the rates gradually as and when necessary. On the other hand, the employees' contribution is payable only in the 'implemented' areas, and remains, as in the original Act, at about $2\frac{1}{4}\%$ of the wages.

The extension of the Scheme to other areas was not altogether smooth-sailing. To begin with, considerable difficulty was experienced in "selling" the Scheme to the State Governments. They found it generally difficult not only to share the cost but also to provide medical facilities of the prescribed standard. About the close of 1953, it seemed that any further extension of the Scheme might have to be postponed indefinitely as the two State Governments which had the largest concentrations of industrial workers insisted that they had not the resources to meet the financial liability which would fall upon them. This called for a fresh approach on the part of the Corporation—an approach of personal contact, persuasion and negotiation. It had to be explained to the State Governments that under the arrangement for the

* 10 lakhs=1 million.

** areas in which the Scheme has been brought into force.

sharing of the cost of medical care between the Corporation and the State Governments, the latter would be able to provide medical care of a higher standard for an important and increasing sector of the population at a comparatively smaller cost. Nevertheless, when a certain State Government with a large insurable population could not see its way to agree to share the cost of medical benefit in the proportion of one-third as originally decided upon, the question had to be reviewed and the proportion reduced to one-fourth for *all* State Governments.

While the resistance of the State Governments to the implementation of the Scheme in their States was thus overcome mainly by persuasion and negotiation, the difficulties arising out of disagreement over matters of detail, e.g. strength of staff of dispensaries, lists of special medicines, allowances to specialists and other kindred matters were to a great extent surmounted by the adoption of standard yardsticks which were recommended by the Medical Benefit Council and approved by the Standing Committee. This device of adopting standard yardsticks has incidentally also brought about a great deal of all-India uniformity in these matters. Uniformity is much to be desired in the administration of a Social Insurance Scheme.

Work Planning and Control

(i) Progress Control Chart

The introduction of the Scheme in an area calls for the synchronization of action on the part both of the Corporation and State Governments. The State Government has to arrange for the provision of medical care and the Corporation has to register all insurable employees and to set up a network of local offices to receive and pass claims for cash benefits. In these measures, the cooperation of the employers and employees is also essential. The Corporation has obviously to ensure that before the Scheme is introduced necessary preliminaries have been completed by the Corporation and the State Government. After some unfortunate experiences in the early years the Corporation had to change its approach and methods so as to provide closer planning, control and coordination of the various steps to be taken. It also required a new 'action-minded' approach—a sort of military approach where different units of the "Corporation

Forces" and "Allied Forces" assigned specific roles, had to be geared to a prescribed time schedule so as to be ready for action on the Appointed Day. With this end in view, a Progress Control Chart (Figures 2-3, pp. 156-58) was devised early in 1954 showing the various steps to be completed by the State Government, the Corporation and the Central Government. Each step was assigned a Code Number and a time schedule was laid down for its completion with reference to the Appointed Day. The Chart accompanied by explanatory notes was circulated to the State Governments and the Regional Offices of the Corporation.

The adoption of the Progress Control Chart aimed at ensuring orderly and synchronous action in priority of sequence over multiple activities in fields of divided responsibility. A Control Room at the Headquarters received weekly progress reports on the coded steps for each implementation area, *i.e.* area in which the Scheme was to be put into effect. This gave the Headquarters a good grip over the problems and it became easier to locate spots where work was not progressing according to schedule and to take speedy and appropriate action.

It need hardly be emphasized that the failure in keeping to schedule in respect of any of the steps to be taken before the implementation, can cause delay. Any one of the various parties may raise issues which might throw the whole time schedule out of gear. Thus, in some cases, after the arrangements had been started, employees refused cooperation unless provision was also made for medical care for their families. Negotiations with the medical profession regarding the terms of service of panel practitioners also delayed the implementation of the Scheme in certain areas. While negotiations proceed or other similar problems are being tackled, expenses on rent and salaries have to be incurred in the hope that the solution may be round the corner. A certain amount of such unfruitful expenditure is unavoidable in any scheme of shared responsibility. Efficient coordination can help only to keep it to the minimum but not to do away with it altogether.

The planning and control of work through the device of the Progress Control Chart soon paid dividends. The Scheme was gradually extended to new areas such as Nagpur, Bombay, Madhya Bharat (4 centres), Coimbatore, Hyderabad, Calcutta City and Howrah District, Andhra (7 centres), Madras City,

Lucknow, Agra and Saharanpur. The coverage of insured persons increased from 1.5 to 10.15 lakhs during the period July 1954—January 1956.

(ii) Work Methods and Procedures

The weeding out of insured persons who had ceased to be entitled to medical care presented an interesting problem. Under the Act, an insured person is entitled to medical care while he continues to pay contributions, but by regulation, this title can be extended for a further period also. The system initially adopted was that on registration, every employee was handed over an identity card which was his title to receive medical treatment. There was, however, no satisfactory way of withdrawing the identity cards when insured persons ceased to contribute. In the areas where medical benefit was given under the service system, continuance of such persons in the Scheme involved unjustified expenditure on medicines and strain on the medical and ancillary staff. But in areas where medical benefit was administered under the panel system, the problem was even more serious. The panel doctor was paid a capitation fee in respect of every person registered with him whether or not he claimed any treatment. A very large number of persons entered only temporarily in insurable employment and if the entitlement of these insured persons to medical care was not withdrawn as soon as they left the employment, it meant serious financial loss. It was, therefore, provided by regulation, that the first entry to insurable employment will give a right to medical benefit for 13 weeks only. If, however, the employee has paid 12 contributions the right gets extended to between 13—15 months. To make the provision effective, no permanent identity cards are *now* issued during the first 13 weeks of insurable employment and for this period a temporary identification certificate is given, having currency for 13 weeks only. As the certificate automatically expires after this period, the insured person ceases to be entitled to medical care if he does not continue in insurable employment after 13 weeks.

A system has also been evolved to weed out employees with less than 12 contributions in a contribution period or with no contributions at all and periodically exit cards are issued in respect of them. This is, however, not the end of the problem, since, in quite a few cases, such exit cards get issued in respect of employees who had regularly paid the

contributions but whose employers had not sent the contribution cards in time to the Corporation. To meet this contingency, notices are issued to employees asking them to produce certificates of continued employment. This enables them to receive medical care till they are re-entitled. This procedure is cumbersome but a simple or a more foolproof solution to this problem is yet to be found.

Insured persons entitled to cash benefits had to visit the Local Offices of the Corporation at least twice, once to file their claims and again to receive payment. As this was often hard on sick and disabled persons, and also resulted in heavy crowding at Local Offices, the Corporation has recently decided that where the cash benefit involved is within Rs. 20 it may be remitted to the insured person by money order at the expense of the Corporation.

Originally, Local Offices of the Corporation worked for the same hours as Government offices, *i.e.* 10 A.M. to 5 P.M. These hours did not, however, suit the convenience of insured persons in all centres. After consulting the employers and trade unions concerned, the hours of Local Offices in various areas have therefore been adjusted so as to suit the convenience of insured persons. Similarly, efforts were made, wherever possible, to site the Local Offices near State Insurance dispensaries so as to save trouble for those who have to visit both.

In March 1955, a Memorandum was issued to all the Regional Directors inviting suggestions for any alteration or simplification of the procedures in vogue which would promote greater efficiency or economy. The Regional Directors were told to bring the Memorandum to the notice of every officer and member of the staff employed in their regions. The circular met with a good response and a large number of useful suggestions were received, particularly from the staff who had practical experience in the working of the procedures. Useful suggestions were also made by employers and employees during the visits of the Sub-Committee mentioned further below. Some of the suggestions have been given effect to and others are under consideration.

(iii) Forms and Records

The large volume of operations has necessitated the standardisation of most records and communications, into

about 300 different standard forms. In the earlier stages, forms were printed on an *ad hoc* basis which at times led to shortages. However, detailed yardsticks of requirements have since been evolved on the basis of the past experience and adequate and timely supplies are assured by careful planning.

A related problem concerned the maintenance of records for insured persons. In respect of each insured person, records had to be maintained for reference, for his identification, for his medical history and in regard to the contributions paid for him and the benefits granted to him. For this purpose, seven separate documents had to be prepared in respect of each insured person and the problem of reproducing all the particulars for such a large number of persons on each document within a reasonable period of time, was solved by recourse to partial mechanisation. The magnitude of the arrangements will be apparent from the fact that in respect of Bombay alone, over 28 lakh documents were actually got ready within four months.

Personnel Management

(i) Staff Complements

In the beginning the Regional Offices and Local Offices had to be staffed on an *ad hoc* basis. As the work of the Corporation developed and experience was gained, a rationalisation of the staff depending on the concentration of insured persons catered for and the number of benefit payments involved, became a prime necessity. An assessment of workloads was undertaken in 1954 and 1955 on the basis of time and motion studies and otherwise and standard yardsticks for staff in Regional Offices and in the various categories of Local Offices were fixed. A reorganisation of the Headquarters Office was also undertaken. These measures resulted in economies to the extent of nearly Rs. 4 lakhs per annum.

(ii) Recruitment and Training

The Employees' State Insurance Act provides that all appointments to posts carrying a maximum salary of Rs. 500 and above per month shall be made in consultation with the Union Public Service Commission. The recruitment to other posts is the sole responsibility of the Corporation. Early in 1954, a new policy of recruitment was framed. It

was decided to make all further recruitment at the Headquarters and in the Regions, except for Class IV posts by a competitive test. Recruitment in the Regions was to be made by Selection Committees consisting of one representative each of the State Government, the Corporation, and employers' associations and employees' organisations. In order to evolve uniform and objective standards throughout the country, elaborate instructions were laid down regarding qualifications for various posts, selection of applicants for the test, conduct of examinations, evaluation of papers, interview procedure and the like matters. As Scheduled Castes and Tribes were not adequately represented, a special recruitment for these classes was made in July 1955 at both the Headquarters and in the five Regions, after necessary advertisement and publicity. Scheduled Caste and Tribe candidates are also given out of turn appointments in general competitive tests.

For a successful working of any scheme, training of the staff assumes great importance. This aspect of the organisation has never been lost sight of by the Corporation. The earlier batches of Local Office Staff and Insurance Medical Officers were trained by the officers of the Corporation who had helped in drawing up the original procedures. When the Scheme had been implemented in Delhi and Kanpur, it became necessary to develop a nucleus of officers of experience who could be entrusted with the responsibility for training the new staff that would have to be engaged with the further expansion of the Scheme. With the help of an I.L.O. expert two batches of such officers were given a short but intensive course of instruction in the methods of training. Training material on the law and procedure of the various aspects of the Scheme was prepared. Before the Scheme is launched in any area, the new staff engaged is trained by one or more of these officers or other officers who have since received training and acquired sufficient experience of the practical working of the Scheme. Similar training is also arranged for the employers' staff in all the new areas; but in this case the instruction covers only a broad outline of the Scheme with emphasis on the role which the employers play in its working. The entire training whether for the staff of the Corporation or for Insurance Medical Officers or for Panel Doctors or for employers' staff is planned with a bias on the practical aspect of the work.

Improvement in the Standard of Medical Benefit

While putting on a spurt to the implementation of the Scheme and attending to various administrative problems, it became evident that certain improvements had also to be undertaken in the standards of medical care as well as in various measures for the convenience of insured persons. Originally, medical care consisted only of out-door medical treatment supplemented with domiciliary visits, where necessary. This scale has been improved considerably by including specialist care in medicine, surgery, gynaecology and midwifery, ear, nose, throat, eye and skin diseases and tuberculosis. Even in small centres where special arrangements are not made, these specialist facilities are made available as far as possible at existing Government hospitals. Hospitalisation is also now being provided on the scale of approximately 2 beds per 1000 employees. These beds are provided as a temporary measure in private and Government hospitals and this is to be followed by the construction of annexes to existing hospitals or of separate hospitals where the number of beds required exceeds 100. All necessary drugs including all the latest modern ones, are now available free of charge to insured persons though some of them are only available on prescription by an authorised specialist.

Another hardship to insured persons was that the maximum period of sickness cash benefit, which was for 8 weeks, was most inadequate for persons suffering from tuberculosis. The Corporation has recently granted extended cash and medical benefits for regular employees suffering from tuberculosis subject to certain qualifying conditions.

As an additional benefit, the Corporation has recently decided to provide artificial limbs to insured persons who have lost them as a result of employment injury.

Evaluation of the Working of the Scheme

In order to review the overall working of the Scheme, the Corporation set up in February 1955 a Sub-Committee consisting of the Director-General, two representatives each of employers and employees and one of the medical profession. The Sub-Committee has made a first-hand study of the working of the Scheme and has so far submitted two reports one of which covers Kanpur, Delhi, Punjab, and Bombay, and the

other Nagpur, Coimbatore and Hyderabad. The objective and critical appraisal of the Scheme made by the Committee in its first report was found very useful and the Corporation has decided that it should continue on a permanent basis.

Operational and Financial Flexibility

A question which is frequently asked is to what extent does the experience of the Corporation bear out the common concept that the constitution of quasi-governmental organisations of the corporate form makes for operational and financial flexibility which is not found under departmental management. The Employees' State Insurance Corporation was one of the first quasi-Government organisations to be set up and in the absence of any previous experience it naturally adopted administrative and financial principles observed by Government Departments. Two key members on the Standing Committee, viz. the Chairman and the representative of the Ministry of Finance are Secretaries or Joint Secretaries of the Ministries of the Government of India. The Principal Officers are largely drawn on deputation from Government Departments and are accustomed to think and act on traditional Government lines. As a result Government rules and regulations are mostly followed. It is further true that not only have the Medical Benefit Council, the Standing Committee and the Corporation to be consulted but also the Central Government and, in matters relating to medical care, the State Government, before any important action can be taken. But neither this nor the adoption of Government rules and regulations in general seem to have in any way hampered the progress of work. The Director-General has fairly wide powers delegated to him by the Standing Committee especially in matters of internal administration. The Regional and Local Offices enjoy a considerable degree of operational freedom in disbursement of cash benefits and their dealings with employers and employees in this respect. Furthermore, it must not be forgotten that the Corporation deals with the administration of a social service, and not with a public enterprise of an industrial or commercial character. While the corporate form has helped to give employers and workers and State Governments a share in policy formulation and overall administration through representation on the Corporation and its Standing Committee—the chief executive organ, the observance of Government rules and

regulations in general *combined with considerable delegation of authority and responsibility to the executive head and the regional and local levels* ensures a high standard of service and the most economical use of the contributions collected from employers and workers. The present arrangements, therefore, in the writer's opinion combine the best of the two—the checks and balances of departmental management and the operational flexibility of the corporate form.

Conclusion

The Employees' State Insurance Corporation was set up to provide certain benefits in the first instance for factory workers. Though it has taken firm steps in that direction it has yet to attain the goal of extending these benefits to all the 20 lakh of factory employees. The Scheme is a co-operative endeavour by several parties to serve the good of its beneficiaries. In a broader sense by promoting the common good, it makes for unity, social peace and security. The common good is a thing ethically good and not merely a collection of individual interests and prerogatives. The medical profession has a duty to ensure correct certification; employers must fulfil their obligations under the procedures; employees must seek certification only when they are incapacitated; and Governments should conform in spirit to the standard of medical benefit adopted by the Corporation. The future of the Scheme will depend on the extent to which the Corporation in rigorously pursuing the *bonum honestum (dharma)* is able to implement its decisions.



Editorial Notes

In presenting this issue of the *Journal* we would like to invite special attention to three items which are of immediate and particular interest in the context of India's Second Five Year Plan so recently launched.

The Plan envisages a large expansion in the industrial field in the public sector and the problem of finding the right type of men and methods for the successful operation of public enterprises has been receiving anxious consideration on all sides. We were, therefore, particularly happy to have received the valuable contribution from Shri R.G. Saraiya.

Also in this issue will be found a digest of the Report of the Committee of Enquiry into the Electricity Supply Industry, which was appointed by the British Ministry of Fuel and Power in July 1954 to enquire into the organisation and efficiency of that industry. The Committee's conclusions offer much food for thought and material for guidance to the authorities in India concerned with the planning and management of national undertakings.

The problem of finding personnel required for the Plan consistently with the maintenance of the "merit system" and equality of opportunity, is also causing serious and immediate concern. The address by Mr. Philip Young, Chairman of the U.S. Civil Service Commission to the last Annual Conference of the American Society for Personnel Administration, which we reproduce in this issue, is of particular relevance to India where there has been a growing tendency to regard the Public Service Commissions as watchdogs and policemen rather than as *aides*—albeit independent—to the Executive Government in the very important task of finding the right men for the right jobs.

Our section on "Digest of Reports" has been very much appreciated. We naturally try to keep abreast of events in this field, but it may well be that some important reports produced by eminent bodies may escape our notice. The cooperation of our readers would be an added insurance against such omissions. Readers who come across such items are cordially invited to draw our attention to them.

—Editor.

Director's Quarterly Report

(April—June 1956)

I. Second Annual General Meeting

The Second Annual Meeting of the General Body of the Institute was held at Sapru House at 4 p.m. on the 7th April 1956. Shri Jawaharlal Nehru, President of the Institute, was in the Chair.

The meeting passed the annual accounts and adopted the annual report for the year 1955.

Shri Jawaharlal Nehru was unanimously re-elected as President for the year 1956-57.

Shri S.B. Bapat was re-elected to the office of the Honorary Treasurer.

The results of the elections held in February 1956 were announced, and the following 15 candidates were elected to the Executive Council for the year 1956-57 :

- | | |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Shri Din Diyal | Principal, Municipal Boys' Higher Secondary School, New Delhi. |
| 2. Shri Humayun Kabir | Member, Rajya Sabha. |
| 3. Shri Jai Paul | Formerly Public Relations Officer, (Congress Party in Parliament). |
| 4. Prof. D.G. Karve | Chairman, Standing Sub-Committee of Co-operative Training, Agricultural Credit Department, Reserve Bank of India, Bombay ; and Member of the Standing Committee of the Panel of Economists for the Second Five Year Plan. |
| 5. Prof. S.V. Kogekar | Head of the Department of Economics and Politics, Fergusson College, Poona. |
| 6. Shri V.T. Krishnamachari | Deputy Chairman, Planning Commission. |

7. Shri H.C. Mathur
8. Prof. M.V. Mathur

Ex-Member, Rajya Sabha.
Head of the Department of Economics, University of Rajputana, Jaipur.

9. Prof. V.K.N. Menon

University Professor of Politics, and Director, Institute of Public Administration, Patna University.

10. Dr. Seeta Parmanand

Member, Rajya Sabha.

11. Shri H.M. Patel

Secretary, Ministry of Finance, (Department of Economic Affairs) Govt. of India.

12. Shri S. Ranganathan

Jt. Secretary, Ministry of Works, Housing & Supply, Government of India.

13. Dr. K.N.V. Sastri

Retired Professor of History and Politics, Mysore University.

14. Shri N.K. Sidhanta

Vice-Chancellor, Calcutta University.

15. Shri Y.N. Sukthankar

Cabinet Secretary and Secretary, Planning Commission, Government of India.

II. Cooption of Members to the Executive Council 1956-57 under Rule 14(1)

The elected members of the new Executive Council met on the 8th April, 1956 and coopted the following five additional members to the Executive Council as required by Rule 14(1) of the Rules of the Institute :—

1. Shri R.N. Agrawala

President, Delhi Municipal Committee.

2. Shri G.L. Bansal

Member, Lok Sabha, and Secretary-General, Federation of Indian Chambers of Commerce & Industry.

3. Shri N.V. Gadgil

Member, Lok Sabha.

4. Shri L.P. Singh

Chief Secretary to the Government of Bihar, Patna.

5. General S.M. Srinagesh

Chief of the Army Staff.

III. Election of Chairman of the Executive Council and Vice-Presidents of the Institute

The re-constituted Executive Council met on the 10th May, 1956 and elected the following additional office-bearers :

Chairman of the Executive Council

Shri V.T. Krishnamachari	Deputy Chairman, Planning Commission.
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Vice-Presidents of the Institute

Pandit Govind Ballabh Pant	Minister for Home Affairs, Government of India.
Shri C.D. Deshmukh	Minister for Finance, Government of India.
Shri Gurmukh Nihal Singh	Chief Minister, Delhi State.
Pandit H.N. Kunzru	Member, Rajya Sabha; President, Indian Council of World Affairs.

IV. Seminar on the Study and Teaching of Public Administration at the Indian Universities

A Seminar on the Study and Teaching of Public Administration at the Indian Universities was held at New Delhi on the 11th and 12th May, 1956. The Seminar was opened by Shri Gurmukh Nihal Singh, Chief Minister, Delhi State, and a Vice-President of the Institute. It was attended by 26 delegates and observers from 15 Indian Universities, over half a dozen members of the Executive Council and a few distinguished guests. The agenda for discussion covered (i) Objectives of Teaching of Public Administration, (ii) Courses in Public Administration and their Content, and (iii) Teaching Staff, Methods and Materials.

Mr. Paul H. Appleby attended and addressed the Seminar by special invitation.

The minutes of the Seminar are being published separately.

V. Amendment of the Institute's Rules

At its meeting held on the 8th April 1956, the Executive Council set up a Sub-Committee under the Chairmanship of

Shri N.V. Gadgil to consider and recommend amendments to the Rules of the Institute. The Sub-Committee has held two meetings and prepared certain draft amendments which will be placed before a *special* meeting of the General Body to be held some time in the second half of August 1956.

VI. A Full-time Director for the Institute

The absence of a whole-time Director has so far prevented rapid implementation of the programme of activities of the Institute. This handicap will shortly be removed when Shri V.K.N. Menon, Professor of Political Science and Director of the Institute of Public Administration, Patna University, takes up the post of the full-time Director in the first week of August 1956.

VII. Foreign Contacts

During his recent 110-day global tour, Prof. D.G. Karve, founder-Director of the Indian Institute of Public Administration, visited the Tennessee Valley Authority where he had useful discussions on the budgetary procedure and financial control and personnel recruitment and administration. He further visited the Public Administration Clearing House, Chicago, and discussed with its authorities the ways and manner in which the P. A. C. H. could assist the Indian Institute in developing its programme of activities. At Washington, Prof. Karve made a special study of the methods and procedure adopted by the U.S. Civil Service Commission for bulk recruitment.

During his tour of the U.K., Prof. Karve called on Mr. Raymond Nottage, Director of the Royal Institute of Public Administration, London, and Mr. D.N. Chester, Warden of the Nuffield College, Oxford, and the Editor of *Public Administration*. He also paid a visit to the Home Office, the Scotland Yard and other police authorities to study the problems of recruitment of police officers at a common level and the decentralization of police functions.

In Switzerland, Prof. Karve observed and discussed a referendum and an initiative held in connection with a case of public vs. private ownership of a wood-fuel factory, set up by the Swiss Government during the last war.

News from India and Abroad

AUSTRALIA

An Administrative Staff College for Australia

An Administrative Staff College on the lines of the one at Henley-on-Thames, England, is being established in Australia. The college has the support of a large number of leading industrial and commercial undertakings in that country. The importance attached to this institution is reflected in the selection of so eminent a personality as Sir Douglas Copland, the Australian veteran economist, ex-Price Commissioner and former High Commissioner in Canada, as its first principal.

CANADA

Recruitment of University Graduates to the Federal Service

In order to overcome the chronic shortage of technical personnel, the Canadian Civil Service Commission have decided to send recruiting teams to the various Canadian universities to recruit some 1,000 graduates for continuing employment in the Federal Government and 1,400 undergraduates for summer work. The Commission hold that superior graduates make good progress in the public service. The growing requirements for both graduates and undergraduates reflect the increased emphasis which the Canadian Government is placing on university training in its recruitment policies.

37½-Hour Week for Federal Service Employees

The Canadian Civil Service Commission have recently announced a 37½-hour week for office workers in the Federal civil service. This will apply to about 100,000 civil servants in the administrative and clerical ranks. It reduces the work week by fifty minutes. For those on the five-day week—over ninety per cent. of the service—the new schedule means a reduction of 10 minutes a day, thereby establishing 7½ hours as the normal work day. This conforms to the prevailing practice in business and industry. For those working 6 days a week it would mostly involve a rearrangement of Saturday hours leaving the normal seven-hour day intact.

INDIA

Recruitment to Ministerial and other Non-Gazetted, Non-Technical Posts in Bihar through the State Public Service Commission

Following the example of Madras where the system of centralised recruitment to ministerial (non-gazetted posts) has successfully been in force for several years, the Government of Bihar have formulated a

scheme for recruitment of candidates to the ministerial and other non-gazetted, non-technical posts, through the State Public Service Commission. A single competitive examination will be conducted by the Commission once a year, at each district headquarter. It will comprise five papers : one each in vernacular language, English, practical arithmetic, and general knowledge, and a special paper to test intelligence 'on the lines of the tests conducted in the Army—the questions being designed to ascertain, not how much the candidate knows, but how quickly and well can he think'. There would also be a *viva voce* test for posts involving field duties, e.g., *Gram Sevaks* (Village Level Workers). There would be a similar examination of a slightly higher standard for direct recruitment to the Upper Division posts in the District and Regional Offices. (The latter examination may even be combined with the former.)

Decentralisation of Administrative Control in the Punjab

The Punjab Government have opened 15 new Sub-Divisions at tehsil headquarters with a view to decentralising the administration in the State. Considerable authority will be delegated from the Deputy Commissioner to the S.D.O. (Sub-Divisional Officer). Work regarding local bodies, motor taxation, renewal of arms licence, passports, market committees, and Panchayats will now be done in Sub-Divisions. The Sub-Divisional Officer will be free to devote most of his attention to development and executive work. A 'General Assistant' is also being posted in every district to act as the Deputy Commissioner's "Principal Administrative Officer", to keep a vigilant control over the office, and to look into complaints against the office and other public grievances.

Departmental Promotion Committees

The Himachal Pradesh Government have appointed 3-member Departmental Promotion Committees for considering promotion to Class I posts under the State Government (except those of Chief Secretary, Finance Secretary and the Inspector-General of Police). The Committees have a member of the U.P.S.C. as Chairman.

Direct Access to the State Chief Secretary by State Employees

The Government of Punjab have issued orders which allow every member of the Civil Secretariat staff, irrespective of his status, to meet the Chief Secretary without the prior sanction of his immediate superior official. The Delhi Government have also issued a similar order in regard to "all public servants serving in the Delhi State".

In-service Training for Rajasthan State Employees

The Rajasthan Government have started a 2½-month refresher course for training permanent ministerial staff of the State Secretariat. The classes are held for 1½ hours during the office time. Instruction covers Rajasthan Secretariat Manual, Classification, Control and Appeal Rules, General Financial Rules, etc. At the end of the course the trainees appear at a test.

Prison Reforms in Delhi

The Delhi State Government have appointed a 14-man Committee to recommend prison reforms in the State. The Committee has been especially asked to examine the question of physical and mental rehabilitation of prisoners after release. It will also go into the question of jail industries and suggest ways of making them remunerative.

Special Police Officers in U.P. Districts to Investigate Complaints Against State Employees

In the drive to eradicate corruption, the Government of U.P. have introduced a new 'Complaints' Scheme. A Deputy Superintendent of Police (Complaints) has been posted in each district, under the local Superintendent of Police, to conduct enquiries and investigation into complaints of corruption, extortion, harassment, and acts of wilful vindictiveness, made against the non-gazetted employees of the State Government.

Separation of the Judiciary from the Executive

With effect from the 1st June of 1956 the Government of Mysore have separated the Judiciary from the Executive. Functions which are essentially judicial, e.g., the trial of criminal cases, have been transferred from the Deputy Commissioner and from the Magistrates subordinate to him, to judicial officers to be known as the "Judicial Magistrates" who will not be under the control of the Deputy Commissioners. Functions which relate to "police" matters and are of administrative character will continue to be discharged by the Deputy Commissioner and the Revenue Officers subordinate to him, who will be called the "Executive Magistrates".

Through an executive order the Punjab Government have also separated the Judiciary from the Executive, in five districts in the State.

Revenue Collection Powers for Panchayats in Bombay

By a recent amendment of the Bombay Land Revenue Code 1879, the Government of Bombay have given to village Panchayats the powers to collect land revenue and other dues of recovery. This would enable them to function more efficiently as basic units of local self-government. Panchayats which are entrusted with these functions will receive remuneration at rates to be determined by the State Government at a later date. It is also intended that such village Panchayats should have the *talathis* of the villages as Secretaries.

An Industrial Management Research Unit for Planning

The Indian Statistical Institute has set up an Industrial Management Research Unit for Planning, with headquarters at Bangalore. The main functions of the new research unit are : (1) to study and report on the nature of organisations most suited for State enterprise, (2) to formulate methods for maximum utilisation of resources, (3) to

investigate problems in relation to industrial relationships, and (4) to supply technical data for work connected with long-range planning.

PHILIPPINES

Personnel Officers in the Civil Service

The President of the Republic of Philippines has ordered the appointment of Personnel Officers in various departments, bureaux, offices or agencies of the Government, according to their organisational needs. In addition, the chief responsibility for providing assistance and leadership in personnel matters has been vested in the Personnel Services Division of the Bureau of the Civil Service. A suitable training programme for Personnel Officers is also being developed.

UNITED KINGDOM

Recruitment and Training of Hospital Administrative Staffs

On the basis of the recommendations made by the Whitley Council for Administrative Staffs, the British Government have formulated a national scheme for the post-entry training and further education of administrative and clerical staffs in the hospital service, for improved standards of recruitment for junior staffs, and for the special selection of officers who might be expected to be capable of filling senior administrative posts. The important features of the scheme are :

1. Assistance for young people under 18 years of age to continue their general education by grant of leave to attend classes, payment of tuition fees and excess travelling expenses, loans of textbooks, etc.
2. Provision for training "on the job" and the seconding of clerical and administrative officers to departments or authorities other than those in which they are serving to enable them to obtain a wider administrative experience.
3. Assistance for officers under 30 years of age to undertake external training of value to the National Health Service, grant of facilities to attend evening classes and to take examinations, financial assistance in respect of tuition and examination fees, travelling allowances and the like.

UNITED STATES

Extension of the Merit System to Overseas Jobs

In recent months the U.S. Civil Service Commission have extended the merit system to cover certain overseas jobs, both military and non-military. The first step in this direction was taken in April 1956 when the competitive service was extended to about 20,000 positions in foreign countries under the Departments of Defence, Army, Navy and Air Force. In May, further action was taken to cover

non-defence jobs in federal agencies, occupied by U.S. citizens and located in foreign countries. The positions involved are those which were or are, under Schedule A of the U.S. Civil Service Rules, excepted from recruitment through the U.S. Civil Service Commission, for the reason of being outside the continental limits of the United States.

The new arrangements will not only extend the application of the merit principle to filling overseas jobs but also permit and stimulate the interchange of personnel between the overseas and domestic competitive positions under the normal civil service regulations.

Annual Performance Ratings Abandoned in Post Offices

The U.S. Post Office Department has abolished the system of annual performance ratings. Instead of rating employees annually as "satisfactory", "unsatisfactory" or "superior", supervisors have been instructed to make a "continuous evaluation" of the work done by employees under them. Employees doing exceptional work will be recommended for advancement, while steps will be taken to improve the performance of employees whose work is below standard.

Written Test for Engineering Jobs in Lieu of Professional Degree

The U.S. Civil Service Commission have recently announced that candidates for professional engineering positions at grades GS-5 (\$4,480 a year) through GS-12 (\$7,570 a year) in all Federal agencies will have to pass a written test if they do not meet the basic educational requirement of a bachelor's degree in engineering. This, the Commission feel, is a fairer method of determining whether persons without full engineering education are capable of performing professional work. The tests are not memory tests, since competitors will be permitted to use the reference books during the examination. The new plan is designed to encourage government agencies to give more consideration to outstanding technicians who do not possess the full qualifications required for professional work. It may also facilitate selection for some hard-to-fill vacancies by appointment, promotion or re-assignment.

Relinquishment of Part-time Jobs

The Civil Service Commission have revoked the wartime regulations permitting the Federal employees to hold part-time State, Territorial or Municipal jobs. The Federal employees holding such jobs will have to relinquish them by January 1957, or, if hired for a certain period, they may continue up to the end of that period.

The Commission have, however, elucidated that the revocation of these wartime regulations will not disturb the rights of federal employees to be elected or appointed to local government offices in certain communities in the immediate vicinity of the National Capital and in areas where the majority of voters are Federal workers. These rights are granted by the Commission, on a community basis, under the provisions of Section 16 of the Hatch Act.

Digest of Reports

U. K. MINISTRY OF FUEL AND POWER. COMMITTEE ON INQUIRY INTO THE ELECTRICITY SUPPLY INDUSTRY. REPORT. London, H. M. S. O., 1956. viii. 189p. Cmd. 9672. 6s 6d.

The Committee was set up in July 1954, with Sir Edwin Herbert, LL.B., as the Chairman to enquire into the organisation and efficiency of the electricity supply industry in England and Wales in the light of its working under the Electricity Act 1947, and to make recommendations. The main recommendations made in its report, which was submitted to Parliament in January 1956, briefly are :—

Aims and Performance of the Industry under Nationalisation

(i) The provisions of the Electricity Act require the industry to conduct itself as a commercial concern and to be self-supporting. The governing factor in the minds of those running the Boards should be that it is their duty to run them as economic concerns and to make them pay. The Electricity Act does not require the industry to supply electricity on uncommercial terms to any customer or class of customers nor to conduct itself in such a way that it would have to face higher costs than a private business would face in similar circumstances. The determination of the national interest is the business of the Government. *It is not for the industry to embark in the supposed national interest on any course other than a purely economic course unless so instructed by the Minister subject to his responsibility to Parliament.*

(ii) The degree of public accountability expected of the industry should not be such as to impair its commercial enterprise and efficiency. On questions of policy and direction the industry must at all times be prepared to give an account of its stewardship through appropriate channels. But if the public insist on having an answer on every point, which they would never dream of doing in a private concern, they must put up with the inevitable bureaucracy and rigidity they themselves bring into being.

Structure and Organisation of the Industry

(i) The present organisation is in certain respects less well-adapted for the industry's future needs than to the initial tasks of amalgamating the industry following its nationalisation. The industry should continue to be organised on the basic pattern of a series of Area distribution Boards buying electricity from a generating Board.

(ii) The present mixture of supervisory and executive functions within the Central Electricity Authority makes it difficult for the Authority to exercise effective and impartial supervision over the

industry as a whole and creates confusion and friction in the industry. The Central Authority's present responsibility for generation, including the construction and operation of the power stations, grid and super-grid, should be transferred to a new statutory corporation which might be called the Central Electricity Generation Board. The latter should have a full-time Chairman, completely free of special duties, and four to six other members who should in the main be full-time.

(iii) The Central Authority should have statutory powers to issue formal directions to the Area and Generation Boards in regard to development programmes, capital and revenue budgets, depreciation policy and reserve funds, bulk supply and retail tariffs, complaints by consultative councils or individual consumers, research and development and negotiating and advisory machinery; these powers should be exercisable only after consultation with and approval by the Minister. It should further seek to create for itself a reputation of being at once judicious and stimulating and should see its main duties as keeping the industry on its toes and critically reviewing the Boards' policies, programmes and expenditure.

(iv) The reconstituted Central Electricity Authority should comprise three full-time members, one of whom would be the Chairman, and four part-time members; serving members of the statutory Area and Generation Boards should not be eligible for membership of the Central Authority. The qualifications required of members of the Authority should not be statutorily defined : it should be left to the Minister to choose the most suitable men he could find. The industry has not yet solved the problem of the right degree of delegation within the formal framework. Partly, no doubt, as the result of anxiety over public accountability there is a tendency to do work in whole or part several times over at different levels and an unreadiness to trust the field commanders with the power and responsibility that they ought to have. *More should be left to the discretion of subordinate officials and if they make mistakes, as they will from time to time, the public must be taught that this is part of the price of delegation that large scale organisations must pay if they are to remain virile.*

(v) It should be for each Area Board to determine the best form of internal organisation for their Area in the light of its terrain, density of population and state of electrical development. The following conclusions from the Committee's own observations are set out for the Board's consideration :

- (a) The concentration of certain specialist services at a limited number of service points in the Area is sound ; such centres should be considered as dispersed sections of the Headquarters available to service any management unit of the Board;
- (b) There should be only one management level below the Board Headquarters;
- (c) The number of genuine management districts should be

increased to perhaps 15 or 20 in each Area : the actual size and number of districts in any Area will depend on the local conditions;

- (d) These management districts should be identified with the locality they serve and described as undertakings; and
- (e) Below these undertakings and responsible to them, the organisation would consist of outlying engineering sections and electricity service centres.

(vi) The District Manager should be given the opportunity and the facilities to run his own show and to exercise discretion in his dealings with labour and the public. The District Managers' posts should be used as a training and testing ground for higher managerial positions.

(vii) The part-time members of an Area Board have a valuable and important contribution to make and should be chosen with the utmost care; they should be selected for their individual and collective ability and not as representing any particular interest or section of the community. The Chairman of the Board should be freed from executive responsibilities, which should be exercised by a Chief Executive appointed by the Board. The post of Area Board Chairman should be converted, as opportunity offers, into a part-time appointment. It would be inadvisable for the Area Board to contain any full-time members other than the Chief Executive; the office of Deputy Chairman should accordingly lapse. The Minister should consider appointing the Chief Executive to be an additional member of the Board.

(viii) The Minister should be free to decide the tenure of all Board appointments and to arrange the most suitable term of office for each individual case. He should further be relieved of the existing statutory obligation to consult the Central Authority on the appointment and re-appointment of members of Area Boards.

Personnel

(i) The industry should urgently review the conditions which are causing well-qualified men with the calibre of potential leaders to turn away from the electricity supply industry, and should improve the terms of service, including starting salaries and differentials, for graduate trainees. At present the salaries paid to Board members act as a ceiling for those which the industry can offer its staffs, and compress the differentials between the pay of different grades : this is having serious consequences.

(ii) The Government should urgently reconsider the levels of remuneration of Electricity Board members; if the Boards are to be run as commercial enterprises those who run them must be on a salary level corresponding with their abilities and market value. Relativity with outside industry in the matter of salaries should be accompanied by equal risks in the matter of security of employment; the payment of top

salaries should carry with it the expectation of top performance and Board members should not be retained in office merely because no obvious deficiencies are apparent.

(iii) To ensure a continuing supply of able leaders to fill the top management positions, the industry should have a deliberate system of selective training and posting of able young men, in order that potential leaders may prove their qualities in successive posts and gain the experience which will fit them for higher management.

(iv) The Authority's passive attitude towards redundancy has led to a disinclination of management at all levels to seek out under-employment and to ascertain, by means of work study, operational research and the investigation of restrictive practices, the most effective deployment of manpower. The electricity supply industry should now adopt a more realistic attitude to this problem and should establish what re-deployment is necessary for efficiency; redundant staffs who cannot be transferred to other work should be released on generous terms to facilitate their absorption into other industries.

(v) Up to the present the *esprit de corps* in the industry remains good. There were and are inevitable personal difficulties and problems but the zeal and loyalty of staff taken over from other undertakings in 1948 still remain. It is, however, a matter of concern whether this morale will be maintained in the younger men who in future will have had experience only in the unified industry. The very size of the industry and the remoteness of authority lead to loss of morale unless positive steps are taken to build it up. Too many purely management decisions are taken at the centre. Management decisions must be dispersed while essential controls are maintained. The industry should not aim at having a staff which loyally keeps the rules and obeys the orders, feels secure, and has no sense of personal responsibility for major decisions. The industry must have men as close to the field as possible, capable technically, leaders with initiative and courage. They may strain the machine but over the years the industry will benefit. There used to be great names in the industry. There must be great names in the future not only right at the top—but great engineers, managers and administrators.

Modern Aids to Efficiency

(i) The industry has not done as much hard thinking as it should about the economics of electricity supply. The whole field of public utility economics bristles with difficulties that emerge in terms of investment problems and pricing problems. The avoidance of waste and the efficiency of the industry depend on the right answer being given to these problems.

(ii) The electricity supply industry has been hesitant to introduce operational research and work study, the value of which is increasingly accepted in other industries; the new Central Authority should insist on proper operational research and work study being undertaken as a condition of approving budgets.

(iii) The Electricity Boards should study with the trade unions the possibility of formulating schemes of merit pay and incentive payments which would be related to measurable indices and agreed standards of performance, and the revision of the national pay agreements to permit the local agreement and application in each District of appropriate incentives.

Finance

(i) The price charged for electricity should be sufficient to recover from consumers the real value of the resources used up each year in serving them. In presenting the accounts of the industry the surplus should be stated only after charging for depreciation on this basis. Furthermore, to cushion it against short-run changes in demand and costs and to avoid the need for violent or frequent tariff adjustments, the industry should additionally build up a contingency reserve; for the time being it would not be unreasonable to set aside for this purpose a sum equivalent to one per cent. on the capital employed.

(ii) Beyond the levels suggested above, the industry should not build up reserves for financing its own expansion; to do so would be to impose a compulsory saving on present electricity users for the benefit of future consumers, and could possibly lead to the inefficient use of capital.

(iii) Before resorting to the expedient of raising prices to secure this higher margin of revenue over expenditure, the industry should make a much more vigorous attack upon costs, including the utilisation of capital and manpower.

(iv) The industry should be run purely on business lines. It should have one duty and one duty alone : to supply electricity to those who will meet the costs of it and to do so at the lowest possible expenditure of resources consistent with the maintenance of employment standards at the level of the best private firms. Any deviation from this task should be undertaken only on precise instructions. The line between the Government and the industry should be a clear one for all to see. And if Parliament decides in the national interest that the Boards should pursue policies and incur expenditure which, against normal commercial tests, would be avoided or deferred, the cost of such policies should fall on the national exchequer.

Labour Relations

(i) The new Central Authority should be concerned only to ensure that the labour relations machinery is working well; the operation of the machinery, in concert with the trade unions, at both national and regional level should be the responsibility of the Generation Board and the Area Boards.

(ii) The Electricity Boards should invite the trade unions to discuss a new definition of the subjects appropriate to the national

negotiating bodies, with the object of leaving the detailed application of the national agreements in the hands of the District and local bodies.

(iii) As the value of joint consultation has come to be more generally appreciated, better use is being made of the advisory machinery. The bodies established for joint consultation should remain advisory in character. The National Joint Advisory Council should review its policy, especially in the field of welfare, and consider the delegation of the widest possible range of subjects to the District and Local Advisory Councils in order to encourage initiative at the lower levels.

Consultative Councils

(i) The Consultative Councils are doing creditable work in safeguarding the consumers' interests. The consultative nature of the Councils and their right to be informed of the Boards' general plans and of tariff proposals should be maintained.

(ii) (a) The representation of local authorities under Section 7(2) (a) of the Electricity Act should be reduced to not less than one-third nor more than two-fifths of the total membership.

(b) Local authorities should be permitted to nominate persons who are not actually elected members of the local authority.

(c) The representation of industry and commerce should be increased.

(d) The Minister should have power to appoint the Chairman of the Council from outside the existing membership.

(iii) A local Council should be set up for each management District of the Area Board. Local Councils should be active on the consumers' behalf and should have close contact with the Board's District Manager.

(iv) Failing satisfaction at Area level, individual consumers and the Consultative Councils themselves should both have the right to make representations on general or specific matters to the Central Authority, and in the last resort to the Minister, provided that in the case of an individual consumer this right may not be exercised until the consumer has first had his case considered by the appropriate Consultative Council.

Powers and Duties of the Minister

(i) The ultimate control of a nationalised industry must be in the hands of a Minister responsible to Parliament; the Minister's powers of giving directions to the Central Authority must therefore be retained.

(ii) The less the principle of commercial operation is invaded the better it will be for the efficiency of the industry. The lines of demarcation between the industry and the Minister should be clear. There should be no doubt as to where the responsibility lies when the industry is acting on other than purely economic considerations.

(iii) The most important task falling to the Minister is the appointment of the members of the Central Authority and the Boards; the other principal duties of the Minister are :

- (a) to satisfy himself through the reports of the Central Authority and the individual Boards that the industry is being run efficiently on a commercial basis or, to the extent that it is not run on this basis, in accordance with the directions issued by him;
- (b) to authorise the amount of capital to be raised and the terms of issue;
- (c) to give the industry precise instructions if and when it is required to act in some way different from what would be dictated by purely economic considerations;
- (d) to decide whether or not to give consent to the issue of directions by the Central Authority.

PLANNING COMMISSION : ENGINEERING PERSONNEL COMMITTEE. 1955. REPORT. New Delhi, 1956. 49p. Tables and Appendices.

The Committee was set up in September 1955 under the chairmanship of Shri Y. N. Sukthankar, Secretary, Planning Commission, to undertake an overall assessment of demand and supply in regard to engineering personnel and to make such recommendations as might be essential for ensuring an adequate supply of engineering personnel for the next fifteen years with particular reference to the immediate requirements of the Second Five Year Plan.

The following are some of the important recommendations made by the Committee :—

(1) Supply and Demand Position

- (a) There has been a considerable expansion in engineering education in the country in recent years. Even so, the demand for engineering personnel has outstripped supply. A high level of demand is likely to be sustained in view of the future emphasis on development of heavy industries. There is not sufficient justification for the belief that engineering personnel are surplus to country's requirements. Lack of experience is the main cause for unemployment among

engineers. An engineer may also remain unemployed as a result of temporary imbalance between the supply and demand in certain regions. It is anticipated that in 1960-61, engineering personnel will be in short supply to the extent of about 1,800 graduates and 8,000 diploma holders in different branches.

- (b) There is a certain amount of immobility among technical personnel, especially at lower levels. In spite of incentives that may be thought of for promoting mobility, resistances are likely to persist. The regional aspect of demand and supply has, therefore, to be kept in mind. It is also necessary to create a suitable deployment machinery to coordinate the release of personnel from one project and their absorption in another.
- (c) To meet the shortages, capacity in existing established institutions should be expanded fully. It may be possible to secure in this manner an average increase of 20 per cent. in the out-turn of graduates and 25 per cent. in the case of diploma holders. In addition, 18 colleges and 62 diploma institutions will have to be opened. The total cost of setting up these training facilities (establishment of new institutions and expansion of capacity in existing institutions) will be in the neighbourhood of Rs. 16 crores. It will take three to four years for these additional facilities to yield results. In the interim period, shortages will have to be met by (i) promotion from lower ranks, (ii) more balanced utilisation of available talent, (iii) retention of persons for suitable periods beyond the age of superannuation, (iv) temporary overloading, to some extent, where this is not already being practised, and (v) the organisation of functional training at the supervisory level.

(2) Facilities for Training

- (a) Post-graduate training facilities in engineering subjects should be provided on a wider scale within the country. Engineers who have qualified in specialisations for which demand is likely to develop should be afforded facilities for pursuing advanced work in their chosen fields in (i) design and development wings attached to state enterprises and (ii) engineering and technological institutions. Since demand for specialists has not developed to any considerable extent, it will be more advantageous to continue the present arrangements under which training is more broad-based.
- (b) Functional training for supervisory personnel will have to be continued as a permanent measure, even beyond the interim period, since the additional facilities planned will meet only 60 per cent. of prospective demand. Institutional training for skilled workers, present and future, should be geared to the requirements of employing authorities.

- (c) Industrial establishments should train personnel in advance to meet not only their individual needs, but also the expanding requirements of the country. Voluntary efforts, supported by Government, should be sufficient to meet the needs of apprenticeship training. If sufficient progress is not in evidence, legislation or levy of a cess may have to be considered.
- (d) Foreign training for our engineers should be made more purposeful by advance mapping of fields in which such training is urgently required and ear-marking trainees for suitable positions in the country on successful completion of training. A larger proportion of foreign scholarships should be made available to teachers in engineering institutions.

(3) Standards of Instruction

- (a) While standards in respect of top students in the engineering institutions have been maintained, there is reason to believe that a certain lowering of average standards has taken place. The major reasons for the deterioration in quality are : (i) dearth of teachers of the right calibre, (ii) inadequate facilities for practical training, (iii) ineffective methods of examination and enforcement of standards, and (v) possibly also, insufficiency of equipment in some institutions.
- (b) Standards in engineering institutions should be improved by (i) bringing service conditions for teaching staff on par with those obtaining in executive positions under Government, (ii) sparing competent and experienced men from Government cadres for teaching in colleges, (iii) arranging field experience in industrial enterprises and engineering projects for teachers to help them keep in touch with the progress taking place in current engineering practices, (iv) promoting advanced work and research in universities, (v) making promotions within the teaching line largely on the basis of research work carried out by staff, (vi) allowing serving engineers who display a special aptitude and potentiality for research to enter such work on adequate remuneration, and (vii) encouraging consulting work by university staff.
- (c) Standards of examination should be improved by effecting a partial change in favour of a system which will give evidence of the professional attainments of a student rather than his power to memorise. As an incentive for better performance, employment should be guaranteed to students who top the lists in the examinations.

(4) Conditions of Service

- (a) 'Flight' of personnel is an organisational problem and is tied up with differences in salary scales, security of tenure and regional preferences. The long-term interests of temporary engineers engaged on development projects should be

protected. States should agree to a common line of action for the evolution of uniform conditions of service for personnel engaged on development schemes. A suitable authority should be set up by agreement between the States and the Centre for (i) regulation of salary scales and security of tenure and (ii) allocation, inter-State movement and welfare of personnel engaged on development projects outside the regular cadres.

(b) Technical and scientific personnel should be introduced at suitable levels in the general administrative machinery, especially to hold posts where their experience is of value. The Central Government should explore the possibilities of instituting a suitable All India Service of Engineers by common consent of the participating States.

(5) Recruitment

- (a) In addition to physical shortages, rigidity in recruitment and financial procedures create difficulties. These should be suitably resolved. The practice of advance recruitment of technical personnel and their training prior to posting should be adopted on a wider scale.
- (b) Flexibility and speed have to be secured in recruitment through the Public Service Commissions in the context of the personnel needs of the development programmes. Recruitment should be speeded up through (i) suitably strengthening the Public Service Commissions, (ii) bifurcating their work relating to senior and junior posts, and (iii) devising simpler and quicker methods of consultation. *There should be one or two bulk selections every year for technical men of a particular category.* Recruitment to services at the college campus should be tried because of (i) the advantage of speeding up recruitment and (ii) the beneficial effect which a Service Commission going round the universities will have on students.
- (c) Priority should be given to the creation and maintenance of a Register of Technical Manpower. Indian nationals receiving technical training abroad should be kept informed of employment opportunities advertised in India. A Technical Manpower Committee of the Cabinet should be set up, with a corresponding Committee of Secretaries, to evolve policies regarding technical personnel. A Technical Manpower Division should be created in the Planning Commission to serve the Cabinet Committee. Similar Committees will have to be set up at the State level.

Book Reviews

IMPLICATIONS OF THE IDEOLOGY-CONCEPT; KRISHNA PRASANNA MUKERJI. *Bombay, Popular Book Depot, 1955. 222 p. Rs. 11-4.*

This book by the Professor of Politics in the University of Bombay, initiates the University's Publication Series in Politics. The book is fully deserving of the honour of leading off what we all desire should be an important academic series. It is, however, not so easy to review it. The author explains the nature of the work as follows :—

“An attempt has been made in this work to explain and comment upon the implications of the conception of ideology as suggested first by Marx and developed later through the enunciation of the theory of Sociology of Knowledge and modified by the science of psycho-analysis and micro-sociology. It occurred to me that in the light of researches done by Maunheim (in Wissensoziologie) Freud-Jung (in psycho-analysis) and Moreno (in sociometry) it has become necessary for scientists in general and social scientists in particular to search anew the bases of the scientific attitude and to redefine “science” and that this called for a systematic study of human consciousness and more specially of the functional inter-relationship between man's intellectual activities on the one side and his (socio-biological) *milieu* on the other. Such a study is both of theoretical and practical significance, as the systematic study of interactions of mind and environment is bound to modify hitherto held views on epistemology, the scientific attitude, science and rational philosophy, moral and spiritual judgments and ideals, and scientific methodology, specially the methodology of social and cultural sciences like politics.”

Any academic attempt so all-embracing as this should evoke considerable interest among social scientists. It would, however, be unfair to take out a few observations here and there for purposes of a review. It can only be stated that the book is a highly stimulating effort at analysis, reconstruction and enunciation of a variety of theoretical and practical speculations. All scientists, and especially social scientists will read it with interest and profit.

The main point of the discussion, however, does have a vital bearing on the normal functioning of a democratic society. The Idealist School, represented by Plato or Hegel, tended to clothe “ideas” with a higher reality inasmuch as they represented the common truth of variable experience. On the other hand the Materialist School represented by Marx, and to a lesser extent by Laski—who by the way finds no place in the author's discussion—tended to deny to any but

physical experience the status of reality. Ideas, for the latter school, were essentially subjective, they were necessarily biased. The author of this book asks himself the question.....“is it still possible to extricate the ‘inner man’ in such a way that he rises above the subjective-situational promptings to a plane of objective or impartial reasoning wherefrom it is possible for him to enunciate bias-free ideas, normative socio-political theories and valuable ethical judgments ?”

The question is affirmatively answered by reference to the Yoga philosophy, which is held to make it possible to have a disinterested and unattached wisdom. It must be admitted, as indeed Plato and Hegel did, that a discipline of virtue, knowledge and disinterestedness maximises the possibility of producing unbiased thought. But, quite apart from the multiplicity of meanings attaching to Yoga, it is clear that mind reaching the Yogic level would be exceptional—not certainly normal—and the real understanding and experience of human beings on which alone a significant analysis and prescription can be sustained would continue to be biased both in regard to motive and appreciation. Even for the Yogi, unless we are asking for the manifestation of a perfect being, while freedom from motive and attachment may perhaps be attained, the limitation arising out of subjective understanding and appraisal cannot be ignored.

One wonders whether it is ‘scientific’ at all to expect synthesis where one is in the nature of things not possible. The idealist and material, the subjective and the empirical, are in a sense both real. In due proportion they have to be utilized both for analysis and practical policy, which are so important for social organization. Any mystic solution to a problem—which is really not a problem inasmuch as both have a relevance to truth—of finding one single version of reality through an emancipated and perfect mind would probably lead to superstition in thought and to authoritarianism in action.

This, however, is likely to remain an unending debate among theorists. It is only proper that the Head of the Politics Department should restate his position, and his fellow-researchers and scientists would be serving themselves and serving science by giving the book a very cordial and attentive reception.

—D. G. Karve

THE DYNAMICS OF BUREAUCRACY; PETER M. BLAU.
Chicago, The University of Chicago, 1955. 269 p. \$5.

This is a case study of two bureaucratic agencies at the State and Federal levels respectively. It is designed primarily to secure an insight into the operation and development of interpersonal relations within a governmental agency and the impact of such relations on the efficiency and morale of the unit as a whole. The State agency is an office concerned with the employment of jobless clients by putting applicant and employer in mutual contact. Interviewing candidates, noting down the requirements of employers, selecting the right

applicants for the right jobs, providing vocational guidance in some cases—are among the important functions of this agency. The Federal agency on the other hand is entrusted with the enforcement of certain federal laws regarding the conditions of employment and operates within a State. The inspection of premises, scrutiny of records, detection of violation of the laws, interpretation of the law, persuasion and finally resort to the law courts for securing compliance are the principal activities of this agency. In each case there is a single head of the office and about a score of officials who bear the brunt of the work to be done.

The study reveals an interesting set-up of relationships within each agency and emphasises how a governmental office is far from being the hide-bound, static and unimaginative affair of popular conception. Apart from the written code of procedure and conduct which provides the essential framework for the operation of any bureaucratic agency, each unit tends to grow a kind of social cohesion within its ranks and this serves both as a protective shelter against aggression from without or above as also an informal, compulsive pressure to fall in line with the group values and mores. But just as there are cohesive factors at work there are also disruptive influences to be reckoned with. A spirit of competition for bettering performance records might disrupt the cohesion just as an atmosphere of mutual consultation might promote it. The introduction of quantitative returns of disposals in the State employment agency was found to foster the competitive spirit which was resented by the competitors themselves because of its adverse effects on interpersonal relations within the unit. On the other hand the development of informal consultations among the agents of the federal enforcement agency in opposition to the strictly formal procedure had exactly the contrary effect.

A very revealing case of the growth of unofficial norms within an office was the establishment of a taboo on reporting of offers of bribes made to the federal agents engaged in enforcement work by the party violating the law. The observer found an inquiry that this taboo had become almost a matter of honour with the functionaries concerned. He was given to understand that the reporting of such an offer became possible only by goading on the other party into the belief that the agent was willing to accept a bribe, and then catching him unawares through the F.B.I. This was not proper, and the best way to deal with a potential offer was to scotch it at the first vague 'feeler' when, for instance, the party suggested that the question be discussed by going outside the office. It was also believed that trapping a party offering a bribe was antagonising not only the persons concerned but a number of their friends in the business who would tend to become hostile to the agency. Such a result would act adversely on the possibility of compliance by persuasion which was a desirable objective. Resentment against any body reporting an offer of a bribe was found to be extremely strong resulting in social ostracism and isolation of the person so reporting! The basis of this resentment was again to be found in an implicit sense of competition for being favoured or rated more efficient by the boss.

Equally interesting is the revelation that sometimes institutional devices help to wear out or at best to minimise the effect of social prejudice. It was found that the introduction of performance records led to a slackening of discrimination against Negroes among the applicants. Since every one desired to show "achievement" in terms of disposal of cases, the old prejudice could not be maintained without detriment to one's record!

It is the thesis of the author that a study like this which analyses the social, economic and psychological factors influencing the operation of a modern bureaucratic unit would destroy many old theories about the working of the system called Bureaucracy. The economic security provided to civil servants would tend to make them more ready and willing to effect desirable changes in established procedure as also to assume greater responsibilities in socially desirable fields. How far such a generalisation is justified on the basis of the study of a very tiny and stray speck of dust on the bureaucratic sea-shore is too difficult to say. But if this view gains ground on the basis of similar studies in different branches of administration it would open a new era of hope for organised mankind.

—S.V. Kogekar

THE COLONIAL OFFICE ; SIR CHARLES JEFFRIES. *London, George Allen & Unwin, 1956. 222p. 15s.*

The book—the third publication in the New Whitehall Series—is an authoritative and informative account of the evolution, organisation, functions, work and achievements of the Colonial Office. The author has written several other books on the Colonial Empire and the Colonial Service and has served in the Colonial Office since 1917. The book has thus the benefit both of his long, first-hand experience in colonial administration and wide background knowledge of colonial history.

The Colonial Office is among the oldest British Ministries and is responsible for administering the affairs of nearly 200 million sq. miles of colonies, protectorates, protected states and trust territories. It is nothing more and nothing less than the Secretariat of the Secretary of State for the Colonies. Its functions and responsibilities have gradually altered with the political, economic and social changes of the last century.

Sir Charles classifies the work of the Colonial Office into two categories : (a) political development, and (b) economic and social development. (These two kinds of problems are reflected in a way in the division of the Colonial Office into two compartments—'geographical departments' and 'subject departments'.) He takes special pains to elaborate how the British Colonial policy has, from the beginning of the Colonial adventure, been directed towards the attainment of "responsible self-government within the Commonwealth in conditions that ensure to the people concerned both a fair standard of living and freedom from oppression from any quarter". As a result, the representative institutions in the colonies have followed more or less the same pattern. While some of the colonies have since attained

political autonomy, others are still on the way to the realization of representative or responsible government. As regards economic and social development, the main role of the Colonial Office has been to provide material and technical assistance and experienced personnel. In recent years, the increasing responsibilities taken over by the Colonial administration in economic and social matters have been gradually transforming its basic character so as to convert it into a comprehensive and far-reaching organisation for giving practical assistance to oversea territories.

While in 1925 the functions of the Office could be broadly described as "a supervision of administration", they have since undergone a vital change. "A general responsibility for the supervision of administration indeed remains, but essentially the main work of the Office now could best be described as the conduct of relationships. The territories are no longer considered as places which are being administered by agents on behalf of Her Majesty's Government but as political entities standing in a special relation to the United Kingdom."....."the conduct of business between any territory and the United Kingdom is now approached in a spirit of bilateral negotiation and not of unilateral direction". The position also materially differs in many other respects. There is greater attention paid to representative public opinion. The Office has now many direct administrative functions such as management of large development funds, the organisation of training courses, the promotion of research projects, the operation of information services and the responsibilities connected with the education of oversea students.

The most interesting part of the book is contained in Chapters VIII to XI dealing with the organisational evolution of the Colonial Office, its present administrative set-up, office services, relations between the minister and civil servants and Her Majesty's Oversea Civil Service. The author, being fully versed in the details and intricacies of the working of the Department gives an illuminating description of the duties and functions of the various officers, the policy and procedure of staffing and communications, composition of Her Majesty's Oversea Civil Service and the relationship which subsists between the Service and the Colonial Office.

There can be no question that the Colonial Office took steps to ensure good Government and sound administration. Under the British flag the colonial peoples "increased and multiplied". Though political and social conditions varied from territory to territory, the Colonial Office was able to build up traditions of efficiency, *esprit de corps* and a pride in belonging to the Office which the author terms as "a sense of vocation". But the concept of colonialism changed radically with the first World War when millions on the side of the Allies laid down their lives for the vindication of the principle of self-determination of nationalities. As is pointed out by Sir Thomas Lloyd, the Permanent Under Secretary of State for the Colonies, in his foreword to the book, The Colonial Office, which was "once likened to a grandmother burdened with the care and rearing of a brood of young children", assumed the role of "counsellor and friend" while retaining that of a guardian. This change of concept was accelerated by the mandate system of the League of Nations and the Trusteeship system of the United Nations.

Colonial administration can no longer be judged by the sole criterion of good Government. World public opinion also wishes

to know what progress is being made from authoritarian Government to representative Government and from representative Government to responsible Government. This is the ultimate goal emphasised in the Charter of United Nations. It is here that the weakness of the book mainly lies. Though Sir Charles begins his preface with an apology for "those in whom the word 'Colonial' awakens angry passions", he takes for granted the basic assumption that the British Colonial policy is solely motivated by considerations of promoting the political and economic well-being of the colonies. And so is his conclusion that "It would be difficult for any impartial observer with a knowledge of the facts to suggest today that the British either exploit the Colonial territories for their own benefit or use their controlling powers to damp down development which the territorial peoples could and would carry on faster if they were free to do so". While one can hardly deny the political, economic and social benefits accruing to the Colonies from the British administration, it is obviously too presumptuous to assume that the British Colonial policy is dictated exclusively by these factors or that the colonial people are best and happiest under British tutelage.

Whatever may be the differences of view in regard to the political philosophy of colonialism, the Colonial Office in the U.K. has indisputably performed a first-class *administrative* job. How it did so and what were its methods and procedures are matters of interest to all and even to those "who conceive of 'Colonial Office rule' as something negative, damping and frustrating".

—S. Lall

THE OFFICE OF PRIME MINISTER ; *BYRUM S. CARTER.*
London, Faber and Faber, 1955. 362p. 30s.

The subject-matter of this valuable study is the office of the Prime Minister of Great Britain, although that fact is not *prima facie* evident from the title of the book. Its author, Prof. Carter, is an American, and holds the chair of Political Science in Indiana University. In spite of his American antecedents, he found it worthwhile to undertake this British survey. Says he, "There have been many studies of the Cabinet, the Parliament, and the Constitution, which have included consideration of the place of the Prime Minister within a broad context but no study has concentrated specifically upon the office of the Prime Minister in all its ramifications, institutional and extra-institutional." His hope is that his work "may serve as a temporarily adequate first step to paint a total picture of the modern office of the Prime Minister." In this "first step" he seems to have largely succeeded.

In a series of nine chapters Prof. Carter has dealt with the historical development of the office of the Prime Minister, his selection, his relationship with the public, the Party, the Cabinet, the Parliament, his forming a new government and his conduct of foreign affairs, and war. In the last chapter he presents some concluding observations. These are followed by two appendices, the first of which enumerates the "ministerial positions" held by persons who subsequently became Prime Ministers, while the second is a note on Sir Anthony Eden who

since April 1955 has been the Prime Minister of Great Britain. This latter appendix was obviously added after the book had been completed, for in Chapter II, where the author presents a Table (p. 61) on the "Age of Prime Ministers", the name of Eden does not appear.

It would seem that Chapter IV on the Prime Minister and the Party should change places with Chapter II on the Selection of the Prime Minister. After all it is the Party which first recognises and subsequently presents the prospective Prime Minister to the electorate for his election to Parliament, whence upon his Party strength and leadership, the King or Queen invites him to form the government.

The author interestingly traces the origin of the term "prime minister" to Jonathan Swift, who described his contemporary Harley by that appellation upon the latter's succession to Godolphin as the "first minister" of Queen Anne. But the author admits that no "first minister" could be called a Prime Minister in the modern sense until the Hanoverian period of British history begins because not one of them owed any "obligation to Parliament" nor exercised "complete control in the Cabinet". No doubt the first instance wherein Harley succeeded "in appointing Sunderland to the ministry in 1706 over the objections of Queen Anne" might well be characterised as "a step toward the development of the principle that the Chief Minister has the right to select his own ministerial colleagues", a principle which is even today very zealously upheld.

The present office of the Prime Minister is "the product of over two centuries of growth". It has undergone "fundamental changes" during this period, changes brought about by factors like the development of the institution of the Cabinet whereby the gradual "control of political power from King to Parliament" and "from Parliament to Cabinet" was effected; the influence of a series of "external forces" like the "growth of political institutions, *per se*", the advancement of modern science, the shift in Britain's economy "occasioned by technological innovations", and the consequent adjustments in the social "class structure, class relationships and class expectations, the growth of egalitarian concepts of government and economic organization, changes in Britain's world position, and finally war, which has frequently accelerated an already existing tendency or given a new impetus in a new direction."

The conclusions which Prof. Carter deduces should be extremely valuable to students of the British Constitution, Constitutional Law, Politics, Public Administration and History. Some of these are worth noting here: "The Prime Minister.....throughout his term of office.....must take care not to act in such a manner as to antagonize significant portions of the public" because the public "eventually has the determining voice" in deciding whether or not he should continue in office. "The private life of the Prime Minister, and other political leaders, must be beyond reproach.....essentially the moral code by which the British public judges its leader is still puritanical in character. No Prime Minister can afford to have it known that he has a mistress, or that he gambles for large stakes; nor may he afford the luxury of a divorce".

"Sir Charles Dilke was ruined politically as he was named as a correspondent in a divorce case. Parnell was destroyed because he lived with a woman without benefit of wedlock. Even Edward VII lost a throne because he insisted upon marrying a woman who had been twice divorced."

"Any man who wishes to become Prime Minister must have friends in the press." Harcourt's failure to become Prime Minister in 1894 was due to the fact that "he had no skill in making terms with the press". Winston Churchill "devoured all of the London press before going to bed". Lloyd George's mind "leapt with that of Fleet Street." "The radio does serve the Prime Minister and his colleagues as one of the effective media of reaching the public." "The whole strength of the Prime Minister.....rests upon the fact that he is a party chief, the recognized leader of a party which has obtained a majority." "There are reciprocal obligations upon both the leader and his followers. The rank and file are expected to follow and support, but only if the leader serves the interest of the party."

"The Prime Minister's relations with the Cabinet proper constitute one of the most important aspects of his position, perhaps the most important single aspect." Although the Prime Minister is *primus inter pares*, he occupies a position therein of "exceptional and peculiar authority". "The office of Prime Minister is what its holder chooses and is able to make of it." "Indeed a Prime Minister in peacetime should not have a policy. If he has able ministers he ought to rely on them, and policies should come from departmental ministers." They must positively consult him on their important departmental problems. Coordination and supervision of Departments are ultimately his responsibility. He heads the Civil Service. While Salisbury left his colleagues "very much to themselves", Churchill "had his hand in almost every department", particularly in Foreign Affairs and Defence. Recommendations for all high offices made by the Permanent Secretary of the Treasury must receive the approval of the Prime Minister, as he is also the First Lord of the Treasury. Besides all this, he has "an obligation" to keep the sovereign informed of all important Cabinet decisions. He may even "dismiss" his Cabinet colleagues, although "technically" this task has to be carried out by the King upon his advice. In short, he is the keystone not only of the Cabinet arch, but of the whole edifice of public administration.

But the Prime Minister's real ability evinces itself in his handling of the Imperial Legislature. "The Parliament is more frequently the tool, rather than the master of the Cabinet..... The Prime Minister cannot afford to disregard or antagonize the Parliament.....in particular.....the members of the House of Commons". "However certain he may be of the support of the House, the Prime Minister will act as if the Commons might decide to bring his government down at any time." Lloyd George once remarked that the House of Commons "is a wild and savage animal! This minute it will stroke and fondle you. The next it may rend you in pieces. You must always be watching it." In foreign affairs, "the chief responsibility of supervising the work of the Foreign Secretary must

inevitably fall upon the Prime Minister". But there is no uniform rule in this matter, for some Prime Ministers feel "little inclination to take an active role in the conduct of foreign affairs". However, this "has not been the characteristic attitude of the Prime Ministers of the last half-century".

In time of war the Prime Minister "must be willing to act quickly". "War requires that the Prime Minister exercises all his power. It is not possible to rely upon brilliant colleagues, for decisions will not wait for discussion". In peacetime this is possible and considerably necessary; war requires a concentration of power and responsibility. Both Lloyd George and Winston Churchill made good wartime Premiers because "they concentrated power and took responsibility". Asquith on the other hand lacked this ability, although he was, in the words of Churchill, "one of the greatest peacetime Prime Ministers Great Britain ever had."

In brief, the Prime Minister is "the real source of office and honour". This is so because he heads a "tightly knit and well-disciplined" party organization, more so today than in the past. His position as "party leader is of major importance in the electoral process". Moreover the power of seeking a "dissolution of Parliament has passed from the hands of the Cabinet as a whole to the Prime Minister." This makes the rank and file members of his party support him in the Parliament as they do not want a re-election campaign if they can avoid it. Lastly, the character of the Modern State, comprising a "multiplicity of functions", vests the Prime Minister with the "somewhat greater responsibilities in the supervision and coordination of policy and action".

On the whole Prof. Carter has made a very useful contribution. His language is lucid, his arguments usually clear and convincing, and the format of his volume pleasing. This book ought to earn the gratitude of all those who when learning British Parliamentary practices, may seek general enlightenment and a reasonable measure of clarity on the office of the British Prime Minister. As the author aptly concludes, "The change from the status of a Cabinet Minister to the position of Prime Minister is not merely a change of place but a change of dimensions."

—C. J. Chacko

NOTICES

THE INDIAN PARLIAMENT; *ed. A.B. LAL. Allahabad, Chaitanya Publishing House, 1956. 296p. Rs. 15.*

A collection of fifteen informative articles written by academicians, Members of Parliament and administrators, on different aspects of Indian Parliament, its organisation and functions, privileges and immunities, conduct of business, delegated legislation, and relations with other organs of the State.

PUBLIC ENTERPRISE—A Study of its Organisation and Management in Various Countries; ed. A. H. HANSON. Brussels, 1955, *International Institute of Administrative Sciences*. 530p.

A collection of selected working papers for the 'Seminar on the Organisation and Administration of Public Enterprise in the Industrial Field' (Rangoon, March 1954), convened jointly by the E.C.A.F.E, the U.N.T.A.A., and the I.I.A.S. The papers (with one exception) have been revised, edited, and further supplemented by six regional surveys by Mr. A. H. Hanson, Lecturer in Public Administration, University of Leeds, formerly Director of Research, Public Administration Institute for Turkey and the Middle East, Ankara.

The regional surveys are highly valuable and illuminating as a comparative study of the nature, extent, form and content of Public enterprise today. They cover most of the important countries of the world but exclude communist states with one exception. Some of Mr. Hanson's conclusions are quite revealing. Political philosophy or party politics do not seem to have exercised any decisive influence in determining the extent of public enterprise; there is no definite co-relation between function and form, far more important is the spirit in which public enterprise is managed; workers' and consumers' participation in management through representation on the executive boards (e.g. in France) hardly promotes efficiency, in fact, it leads to operational difficulties and increased ministerial interference; the solution of the problems of public control and accountability does not necessarily lie in adopting uniform methods and procedures of such control; and in underdeveloped countries the problem of making public enterprise self-supporting is intimately linked up with their efficient and economical management.

Among the individual contributions worthy of special notice are : (1) "A Theory of Public Industrial Enterprise", by Mr. W. Friedmann, (2) "The Government Corporation : Its Place in the Federal Structure", by Mr. Harold Seidman, and (3) "TVA's Working Philosophy of Industrial Relations", by Mr. Gordon R. Clapp. Among the accounts of other national experiences, those of Australia, Canada, France, Mexico, South Africa, Turkey and Yugoslavia may be of special interest to Indian readers.

PRICE CONTROLS IN INDIA SINCE 1947; RAM GOPAL AGRAWAL. New Delhi, *The Author*, 1956. xi, 200p. Rs. 7-8.

A useful study of the theory, objects, the mechanism, and the incidence of price controls in India by Dr. R.G. Agrawal, M.A., D. Phil., Assistant Secretary in the Federation of Indian Chambers of Commerce & Industry, New Delhi, who has specialised in foreign trade and tariff policy. A thought-provoking critique on the inability of the administration to modify its policy appropriately to the changing circumstances, is contained in Chapter VII on "Price Controls and their Administration".

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On Interviews

A. A. A. Fyzee

THE interview as a mode of selection by Public Service Commissions is the object of attack and disparagement by almost every one, except perhaps by a recently successful candidate! How is it possible to judge of a man's ability and character for public service within the space of ten or fifteen minutes? The proposition put in these terms is certainly difficult to sustain, but one may respectfully suggest that it is nothing more than a half-truth. A famous judge has said that a half-truth is more dangerous than a lie. That may not apply in this instance, but it is well to remember, first, that the interview is undertaken by experienced persons, who are proficient in the art and science of judging, who are known for their independence and integrity, and who are by no means so vain as to think that their judgements are infallible. Secondly, only a very small percentage of interviews last for ten to fifteen minutes; the majority are between 20 and 30 minutes, and finally, the interview is only an additional means of judgement. There is the written record of the man's career and it is to supplement this that the interview takes place. In other words, the interview begins where the dossier ends. Similarly, in certain cases where there is an examination, but the man has had no experience of service, the interview is another test applied for discovering his relative fitness. The method of selecting personnel by interview is adopted not only by Public Service Commissions in India but also by a number of other Government agencies and private firms.

II

What really is an interview? It is a purposeful and

well-directed conversation on topics of choice, and is an attempt to bring out the experience, the skill and the intelligence of the candidate. While the general principles of an interview are the same, each particular post or selection has its own special considerations and special criteria of choice. But generally speaking, it may be said that three matters are uppermost in the mind of the interviewer. First, technical skill; second, general experience in the field; and third, the intelligence and initiative of the candidate.

Two or three illustrations will, perhaps, make the method of the interview clear. Suppose we want to select a doctor, or an engineer, or an administrator. While the general approach will be the same, we will have to ask ourselves what kind of a doctor or engineer or administrator it is that we want. In the case of a doctor we shall require certain academic qualifications. They will be found in the dossier. But if we want a surgeon or an anaesthetist or a specialist in children's diseases, we shall have to ask him what his experience is in these particular fields and at the end of half an hour or so, we should certainly be able to supplement the written record in such a manner that the candidate's skill and experience become real to us.

In the case of an engineer similar principles of choice apply. We shall want to know what kind of training he has had; what kind of buildings he has built; what are his special interests; whether he is still interested in the use of scientific methods for solving important problems and whether he has surmounted practical difficulties which lie in the path of all engineers.

In the case of a general administrator slightly different questions assume importance. We shall want to know whether he is a man of clear thinking and is capable of setting his hand to a wide variety of jobs which he may be called upon to perform in later life, and for this purpose, general knowledge and general awareness of things is of the greatest importance. What is needed is commonsense and the capacity for quick decision rather than great erudition or brilliancy of imagination. Here is a good picture of the ideal administrator :

"...Your great administrator above all has judgement, personality and commonsense; judgement that makes

his decisions right more often than they are wrong; commonsense that gives him a solid grasp of essentials and takes him to the heart of a problem; personality of a calibre and a force that carries people with him, exacts discipline with the rarest recourse to overt power, and enables him to wring success even out of a wrong decision. He is intelligent but with a full share of earthiness. He thrives on the gross air of every day affairs. He has the common touch. He likes people. He has a zest for life. Essentially, he is a well-rounded, well-balanced man, broadbacked, with a certain simplicity of nature and the sense of proportion that goes with a sense of humour. So far from shrinking from difficulties, he finds life savourless without them. Problems attract him like mountains do the born climber—he itches to get at them. He may have ambition—this adds driving force—but it is no substitute for the zest for life and human contact. He may have, indeed he must have, considerable gifts of intellect, but he is not intellectually aloof. In short, he is a man to whom management is one of the supreme arts of living. There then, is the sort of man we are looking for. Or, rather, we are looking for the sort of youngster who, with right handling, great care and often great patience, will turn out sometime in his thirties or forties to be that sort of man.....”*

The particular solutions offered by the candidate are of comparatively lesser importance than his attitude and capacity to think out things. To take an illustration, we may ask the candidate about the policy of prohibition or the use of Hindi as the official language of India. There is room for great divergence of opinion on these questions. But what is of importance is the manner in which the young man marshals his facts and produces them and brings you to the solution which is in his mind. It reminds us of what used to be said regarding the training in the Universities in England—it does not matter *what* you read, but it does matter *how* you read it. The solution offered by the candidate is of comparatively minor importance; what matters is the method by which he offers the solution.

* Twenty-fourth Report of the Commonwealth Public Services, Public Service Board, Commonwealth of Australia, 1948, pp. 5-6.

III

Lawyers are accustomed to say that a cross-examiner is born and not made; that no one can teach the art of cross-examination and that all that can be done is to learn from the example of a great practitioner. There is a great deal in common between a cross-examination and an interview. Both are designed to find out the truth of the matter; but, while in a cross-examination you may be opposed by a clever and unscrupulous witness who does not wish to tell you the truth, in an interview you have a young man who almost always desires to display his wares to the best possible advantage. In other words, the witness in a cross-examination tries to conceal an important fact, while a candidate in an interview attempts to give the best account of his qualifications and experience and almost wishes to tell you even more than you desire. It cannot be denied that a cross-examination is far more difficult than an interview, but experience shows that the art of interviewing a candidate is a difficult one; some of the pitfalls can be avoided, but a really good interviewer is not common.

An easy candidate is a person who falls in with the spirit of the interview and begins to talk in a natural and unaffected manner. He is not afraid and he knows his subject tolerably well. The difficult candidate is a man who suspects the Interview Board, or swaggers and boasts, or talks too much and gets confused, and mixes up truth with imagination. The present writer has found the greatest difficulty in interviewing a candidate who suspects the *bona fides* of the Selection Board. He knows but will not speak freely. He tells a number of things but keeps back much more. Another difficult case is of a man who is ill or nervous and cannot do justice to himself. It is impossible to give him a second chance and one feels helpless that nothing better can be done.

There are various kinds of candidates whom the Selection Board has to encounter. The best of them are those who try to speak naturally on matters which are well within their own personal knowledge. Some, however, try to ride the high horse, and some try to bluff and to carry conviction by endeavouring to claim omniscience. This is rather a dangerous procedure because the likelihood is that the bubble can be pricked by some member of the Board or the other. A

familiar case is this. Quite a number of candidates, on being asked about their general reading, mention the novels of Bernard Shaw. Now, apart from any other considerations, the possibility that at least one member might have read some of the works of Shaw, including the plays, must surely be considered by the candidate.

A certain amount of preparation, both emotional as well as factual, is necessary if a candidate wishes to make a good impression. Apart from general knowledge, which he should naturally possess, he must brush up the main elements of the subject which he has studied, particularly in relation to the job he seeks. Supposing a man applies for the post of a civil engineer. He must surely sit back and think as to what are the normal questions relating to his job which may crop up before a Selection Board. We often have candidates who apply for a job for which they are well-fitted but have never given a thought to this question. The brief encounter with the interviewers then becomes an unnecessary trial, when it might otherwise have been a pleasant conversation.

IV

To produce a friendly atmosphere, and not to reduce the interview to the level of a cross-examination or a *viva voce* test, should be the aim of all interviews; quite often one talks too much and does not allow the candidate to speak. Sometimes one is in a sarcastic mood and one is tempted to give a devastating reply to a poor candidate who thereupon flops completely by reason of nervousness. To preserve a natural flow of conversation in the artificial atmosphere of a Board Room is not easy. The candidate knows that experienced officers are watching him; he is utterly at a disadvantage, and it is this feeling of nervousness and strain which must be removed so that he can speak naturally and tell the Selection Board what he knows and confess freely what he does not. To achieve this is not easy. But it can be done and is achieved in the great majority of cases.

In interviewing candidates a certain number of questions arise in one's mind and some of these have been formulated as follows :

- “(a) What is the standard of the candidate's mental ability? Does he think logically and efficiently?

Can he think for himself? Can he get quickly to the heart of a matter and see the principles involved? Can he generalize correctly? Is he good at seeing the implications of points made? Can he acquire a sound background of knowledge and use it successfully?

- (b) Is he business-like? Is he interested in the practical details of a scheme as well as in the broad principles? Can he think out the general lines on which a practical task should be organized and take into account the quantitative factors involved? Can he take decisions and stand by them?
- (c) Has he shown himself to be constructive and imaginative or does he merely reproduce?
- (d) Can he express himself clearly and cogently both in speech and writing?
- (e) Is he mentally honest? Does he appear to be a man of complete integrity? Has he the courage of his convictions?
- (f) Has he been interested in his surroundings and in the people he has met? Does he get on well with his equals, his subordinates and those in authority? Do people like him and continue to like him? Is he, for his age and position, a person of some weight and maturity, a man whose judgement is respected? Has he shown some interest in managing affairs (e.g., at school, at the university, in the Forces), and has he been successful in them?
- (g) Does his record suggest vitality and stamina? Does he show a proper zest and enthusiasm?
- (h) Is he mentally adaptable and flexible, or is his mind rigid and impervious to new ideas?
- (i) Is he a man with some continuity of purpose? Has he thought responsibly about the work for which he is applying? Is he likely to develop an interest in public business and in the particular work of his department? Will he be loyal to

his chiefs and to their policy ? Is his ambition reasonably attuned to the requirements of the public service ?" *

V

Last of all, a great responsibility rests on the Chairman of a Board of interview. He must ensure that the candidate is interrogated in a proper spirit; that a friendly atmosphere is created; that difficult questions are avoided; that no one should even unknowingly "kill" a candidate. Sometimes a problem, to which a wrong answer is given by the candidate, is pursued with such vehemence and in such tortuous detail, that the candidate writhes like a witness under the fire of cross-examination. The atmosphere of the court-room or of a University *viva voce* examination is a thing to be avoided like poison.

And yet, the questioning must be well-directed, with a set purpose. One comes across distinguished experts who ask one or two elementary questions in a haphazard manner, and when the candidate fails to answer, they conclude that the man is worthless. This mistake can be avoided by the Chairman of the Board intervening and putting the candidate at ease by a light remark or by asking a question of a different character. Above all, each expert must be encouraged to speak to the candidate on his own subject, so that the final judgement is based on the pooled resources of the mind and experience of each member of the Selection Board.

An admirable thing would be to take a sound movie of an actual interview, extending over half an hour, and show it to the public without comment. Such a spectacle would assuredly go far towards allaying public anxiety regarding the horrors of the Public Service Commission interview.



* Memorandum by the Civil Service Commissioners on the use of the Civil Service Selection Board in the Reconstruction Competitions, London, 1951, para 33, p. 9.

Parliamentary Control Over Delegated Legislation in India

M. P. Sharma

DELEGATED legislation has been defined as the exercise of minor legislative power by subordinate authorities and bodies in pursuance of the statutory authority given by Parliament itself*. Such authority is granted usually to the Government (ministers or ministries) or to statutory corporations like the Universities, local bodies and others. It is almost never given to single officers of lower rank. The output of delegated legislation is variously called 'regulations', 'orders', 'by-laws', 'minutes', 'schemes', etc. These are strictly subordinate to the terms and conditions of the delegation laid down in the enabling Act, and are liable to be declared void by the courts if they go beyond or against these terms. Hence delegated legislation is also called subordinate legislation. Although powers of delegated legislation are, in most cases, exercised by the executive, yet it must not be confused with the original legislative power vested in the executive such as the ordinance-making power of the President of India.

Usually delegated legislation is concerned with minor matters of detail, though not always. There are instances both in the foreign countries and in India, where important powers, such as the power to determine matters of principle, to impose taxation, to amend acts of Parliament, to create new offences, and to lay down penalties have been delegated. These are regarded as abnormal or exceptional instances of delegation but they are by no means rare. Also, from the citizen's point of view, the rules made in pursuance of delegated power are often more important than the general clauses of the parent statute because these rules prescribe his rights and obligations in a concrete manner and outline the procedure to be followed by him in particular matters.

* The Committee on Ministers' Powers, Report (Cmd. 4060), London, H.M.S.O., 1932, p. 4.

Shri G. V. Mavalankar, the late Speaker of the Lok Sabha, once remarked that delegated legislation is both a Necessity and a risk. It is a necessity because Parliament has not got the necessary time or expert knowledge to deal with the details of modern legislation. It is also a risk because Parliament, in the hurry of the moment, may delegate what it should, properly speaking, keep in its own hands and because, in exercising the delegated power, departmental experts may go beyond or against the terms of delegation, or even when they do not do so, make the rules with an eye, more to administrative convenience than to the convenience of the people. Left to itself, delegated legislation may thus encroach on the sphere of Parliament as well as on the liberties of the people.

Hence, control of delegated legislation is a matter of vital importance and safeguards must be provided to minimise the risk involved. The safeguards usually take the form of defining the limits of delegation, laying down a special procedure for rule-making, giving adequate publicity to the proposed rules, requiring the rules made to be "laid before" the legislature for a prescribed period, and the provision of control and review by the courts.

It is proposed to discuss here mainly only one of these safeguards, namely, Parliamentary control over delegated legislation with special reference to India. It is more important than any other safeguard taken singly, because it checks mischief at the very source and saves the citizen the trouble of seeking a remedy against obnoxious rules on his own account. It is also new to our country.

II

Although delegated legislation in India is more than a century old and certain safeguards in limited form, such as the publication of the rules and judicial review have existed from the very beginning, there existed no arrangements, until recently, for the scrutiny or control of delegated legislation by the legislature itself. This was only natural, as the Government of the country was not responsible to the legislature and the considerations of popular liberty were subordinated to the exigencies of administration. Until the thirties, the rules were not even laid before the legislature for information.

The first real step in the direction of Parliamentary scrutiny and control of delegated legislation was taken on

December 1, 1953, when the Speaker of the House of the People appointed under Rule 88 of the Rules of Procedure a 'Committee on Subordinate Legislation'. It consisted of 15 members including the Chairman, Shri H. V. Pataskar, now the Union Minister for Legal Affairs. The function of the Committee was to scrutinize the rules and regulations made in pursuance of the authority delegated by Parliament and to draw the attention of that body to any objectionable points or deficiencies. So far the Committee has published four reports. These reports throw a good deal of light on the problems and progress of Parliamentary control over delegated legislation in India.

The work of the Committee can conveniently be reviewed under three main heads, namely :

- (i) Evolution of a uniform pattern of the terms of delegation contained in the enabling statutes, particularly in regard to the laying of the rules before Parliament and the right of the latter to modify them.
- (ii) Improvement in the publicity to the rules made and of the language employed so as to make it easily intelligible to the people.
- (iii) Scrutiny of the rules hitherto made so as to develop a sort of jurisprudence of delegated legislation—and a guide to what is good and sufficient and what could be considered objectionable.

III

With a view to securing the maximum possible measure of uniformity in the terms of delegation and rule-making procedure, the Committee on Subordinate Legislation made the following two recommendations at its second sitting held on March 12, 1954 :

- (1) That bills containing proposals for delegation of legislative power should invariably be accompanied by memoranda explaining the scope and the details of such proposals.
- (2) That the provisions delegating legislative powers in the various statutes should be of a uniform pattern.

As regards the first point, the Committee desired that the memorandum accompanying the bill should give the full purport and effect of the delegation of power to subordinate authorities, the points to be covered by the rules, and the particulars of the subordinate authorities which were to exercise the delegated power. That would, it was felt, enable the Parliament to ensure that the legislative power delegated was not of an exceptional or abnormal type and was delegated only to trustworthy authorities. It was only after some perseverance and struggle that the Committee could persuade the departments promoting bills to append to them the required memoranda. The first bill accompanied by a memorandum of delegation was the Transfer of Evacuee Deposits Bill, 1954. The latter read : "The scope of clause 13 is limited to *routine* matters which may arise in the implementation of this law, and the rule-making power is of a normal character"* . This laconic form of memorandum did not satisfy the Committee. Later memoranda have been fuller and more informative.

As regards the second point, the Committee noted that the existing Acts contained four types of delegating provisions, namely :

- (i) Where the Government can make and promulgate the rules without any further formality.
- (ii) Where the Government can make and promulgate the rules but are also required to lay them before Parliament after publication.
- (iii) Where the rules made and laid before Parliament for a specified period are made subject to modification, if any, by Parliament.
- (iv) Where the draft rules have to be laid before Parliament for a specified period *before publication* and made subject to modification, if any, by Parliament.

The majority of the delegating provisions are of type (i), *i.e.* mere notification of the rules in the Gazette was all that was required. Examples of type (ii), *i.e.* simple laying of the rules before Parliament without any provision for modification, are found in the Coal Mines Act, 1952 (Section 17)

* Committee on Subordinate Legislation, First Report, New Delhi, Lok Sabha Secretariat, 1954, pp. 2-3.

and the Salaries and Allowances of Officers of Parliament Act, 1953 (Section 11). Some important instances of type (iii), *i.e.* laying the rules before Parliament and their possible modification by the latter, are the Insurance Act, 1938 (Section 114), the Motor Vehicles Act, 1939 (Section 133) and the Reserve and the Auxiliary Air Force Act, 1952 (Section 34). A typical example of (iv), *i.e.* laying the rules before Parliament for a specific period before their final publication, is the Estate Duty Act, 1953 (Section 20). Besides these, there is a fifth type wherein the approval of the rules by an affirmative resolution of Parliament is required; for instance, under the Indian Tariff Act, 1934, notifications announcing increases in the export duty have not only to be laid before Parliament but must also be specifically approved by it within a prescribed period.

In order to achieve uniformity in the procedure in regard to rule-making, the Committee on Subordinate Legislation recommended that the following four principles* should be observed in future :

- (i) All the Acts making delegation of the legislative power should uniformly require the rules made under them to be laid on the table of the Houses as soon as possible but not later than 7 days after their publication in the Gazette.
- (ii) The laying of the rules on the table of the Houses should in all cases be for a uniform, total period of 30 days.
- (iii) The enabling Acts should always provide expressly that the rules made under them shall be subject to modification by Parliament.
- (iv) In exceptional cases provision may be made for laying of the rules and regulations on the table of the House 30 days before the rules come into operation.

Actual observance of the four principles mentioned above has not been easy to secure. The Committee had to repeatedly point out that in spite of their recommendation, many of the bills introduced and pending, contained no provision for the laying of the rules made under them on the

* Ibid, pp. 18-19.

table of the Houses of Parliament. Notable among these were the Government Premises (Eviction) Amendment Bill, 1954, the Territorial Army Bill, 1954, Auxiliary Territorial Force Bill, 1954, Industrial Disputes (Amendment) Bill, 1954, the Spirituous Preparations Control Bill, 1955, the Manipur State Hill People's Regulation Bill, 1954, and the University Grants Commission Bill, 1954. Similarly, many of the bills contained no express provision for the modification of the rules, made under them, by Parliament. Finally, even where laying of the rules on the table of the Houses was required, there was inordinate delay in some cases in doing so. Faced with such a situation, the Committee came to the conclusion that, whether or not any rule was required to be laid before the House, it was desirable for the Committee to scrutinise the whole range of subordinate legislation. It also took the view that the Parliament had an inherent right to modify any rules laid on its table whether the enabling Acts contained an express provision to that effect or not*.

IV

The Committee next took up the questions of proper publicity of the rules and of the improvement of their language. Publicity of the rules is considered to be a vital part of the rule-making procedure. Both in the U.K. and the U.S.A., there is statutory provision for it. In the U.K. the Rules Publication Act, 1893, requires prior notice of the draft rules to be given for purposes of inviting criticisms and suggestions. In the U.S.A. the Federal Register Act, 1935, provides for the publication, in the Federal Register, of all the rules of 'general applicability and legal effect' while publicity is provided for by the Administrative Procedure Act, 1946. The process of popular consultation is carried much farther in the U.S.A. than in the U.K. by requiring open public hearings in case of the more important rules. In India, while the British practice is generally followed there is no statutory provision on the matter and neither any systematic procedure or machinery for publicity and consultation. An enquiry by the Committee on Subordinate Legislation from the Ministry of Law on the subject revealed that the statutory rules and orders made by that Ministry are generally published in the Gazette of India and copies thereof are sent to the State

* Ibid, First Report, 1954, p. 18 (para 10); Third Report, 1955, p. 8 (para 40).

Governments, who in their discretion translate and give publicity to them for the use of the public. The Law Ministry had, however, no ready information about the practice of the other Ministries.* The Committee accordingly made the following suggestions :

- (i) The Government should examine every set of rules to assess whether or not it is of concern or importance to the general public.
- (ii) Advance copies of the rules of importance to the general public should be sent to the State Governments which should publish them in their own Gazettes and also arrange for translation in the languages of the States. There should be a simultaneous publication of the rules at the Centre and in the States.
- (iii) Government should issue press communiques to give publicity to the general purport and effect of the rules and orders.

The Committee further found that the language of the rules in some cases is difficult for the public to understand, e.g., S.R.O. 491 of 1954, re. Estate Duty (Controlled Companies) Rules. The explanation of the Central Board of Revenue in this case was that they had copied the language verbatim for the U.K. Rules. Naturally enough the Committee was not satisfied with the explanation and drew pointed attention to the observations of a former Lord Chancellor of the U.K. about such rules : 'that they are of unrivalled complexity and difficulty and couched in language so tortuous that I am tempted to reject them as meaningless'. The Committee also recommended that explanatory notes, which should not form part of the rules, should be appended to all rules in order to explain their general purport.

V

Finally, the Committee has scrutinized quite a considerable number of rules hitherto made under the various Acts, and suggested modification and improvements. It has generally demanded modification where the rules :

- (a) sought to introduce a substantive provision of law pertaining to the jurisdiction of the courts [e.g.,

* Ibid, 3rd Report, pp .8-9.

Rule 6A of the Cinematograph (Censorship) Rules, 1951] ;

- (b) lacked in specificity and definiteness, *e.g.*, the Development Councils (Procedural) Rules, 1952 which provided for alternative methods of appointment of chairmen of bodies created under the rules;
- (c) affected the salaries and allowances of the ministers of the Government, action by Parliament being considered necessary to avoid uninformed public criticism;
- (d) were liable to cause injustice, *e.g.*, Rule 147 of the Central Excise Rules, 1944, under which goods in the custody of the Government warehouses would be liable to duty even if they had been lost by theft from the warehouses;
- (e) contravened the provisions of the parent Act;
- (f) dealt with matters which should more appropriately be dealt with by an Act of Parliament, *e.g.*, imposition or variation of taxation under Rules 2(2), 2(7), 5, 7, 9, 11 and 15 of the Estate Duty (Controlled Companies) Rules, 1953;
- (g) were couched in complicated language, unintelligible to the people; and
- (h) omitted matters of vital importance, *e.g.*, the Tea Rules, 1953 which did not lay down the conditions of service of the secretary and other officers of the Tea Board.

The Committee is thus gradually developing a jurisprudence of delegated legislation in India.

It will appear from the foregoing account that there is a continuing and urgent need for the Parliamentary scrutiny of delegated legislation in our country. The work so far done in this connection by the parliamentary Committee on Subordinate Legislation is impressive, and the promise for the future is bright. It is time that such committees were set up at the state level also, to scrutinize the delegated legislation in the several states.

A word of caution here is, however, necessary. For the successful performance of their onerous duties, the committees will require zeal as well as restraint. As Shri G.V. Mavalankar,

the late Speaker of the Lok Sabha, said in the course of his address to the Committee: 'The usefulness of the committee and its prestige can be established only as the time goes on and as the committee functions dispassionately with *a judicial mind and moderation on non-party lines.*' Thus, the Committee had to consider whether a uniform pattern of terms of delegation in all cases was practicable or desirable. To take only one instance, originally the Committee desired that all the rules must be laid on the table of Parliament for a period of 30 days before they were finally published and came into force. Later, it had to modify this requirement in face of the difficulty experienced in cases where the rules had to be implemented immediately on their being made public. A uniform method of laying the rules before Parliament would prove cumbersome and also unnecessary in case of the less important rules. It has to be remembered that in the U.K. there are no fewer than five different patterns of laying of the rules on the table of the House(s), viz. (i) simple laying with no other requirement, (ii) laying with the requirements of approval by one or both the Houses of Parliament by an affirmative resolution before the rules can become operative, (iii) laying subject to annulment of rules by a hostile resolution of either House within a specified period, (iv) laying in draft form for a prescribed number of days, and (v) laying in draft form subject to the condition that the rules do not operate till approved. The requirement in regard to the laying of the rules has necessarily to be related to the nature and importance of the rules. No attempt should, therefore, be made to prescribe too rigid a procedure.

Again, while the right of the Committee to examine the entire range of delegated legislation, whether laid on the table or not, and the right of Parliament to modify all the rules laid before it, whether there is express provision for modification or not, remain undoubted, the question is not so much of right or power as of practicability. The Committee might find itself overwhelmed if it took to examining every rule and order made. It should, therefore, call upon Government to assist it in its task by drawing its attention to those enabling Acts and rules which present exceptional features. The Committee and the Parliament may also consider whether the rules laid on the table should be actually modified by Parliament or simply rejected when there is anything objectionable in them. The British Parliament does not modify the rules

laid before it*. In most cases they are laid merely for information or possible challenge. Where the Committee on Statutory Instruments** (established in 1944) points out any abnormalities or defects in the rules, the Parliament simply rejects them and the executive has to present a fresh draft free from the defects objected to. It is not that British Parliament (which is a sovereign body) has not the power to modify ; it is because if it took to modifying the rules, the whole point of delegated legislation—saving the time of Parliament—would be lost.

VI

‘Judicial review’ of delegated legislation, a safeguard next in importance only to Parliamentary scrutiny, is outside the scope of the present article. The courts in India, like their British counterparts, have always had the power to examine the validity of the rules, unless their jurisdiction is expressly excluded in a given case or class of cases. The position remains unchanged. There are quite a large number of Acts in India which seek to restrict or exclude judicial review. An instance in point is the assessment of income and similar other taxes. It is a question of some constitutional importance whether our legislatures, central and state, under the new constitutional set-up can exclude by their Acts the jurisdiction of the courts from any matter, when those Acts themselves are liable to judicial review unless expressly exempted by the provisions of the Constitution of India. The Indian Parliament is not as fully sovereign as the British Parliament. In a federal country like ours the analogy of the U.S.A. is more applicable, and in that country judicial review cannot be excluded from any matter by the Acts of the Congress or State legislatures. It would therefore seem that any Act in India which seeks to exclude judicial review directly or indirectly from the rules and orders made under them, unless, of course, expressly protected by the Constitution, is now unconstitutional. It would be illuminating if the contributors and the readers of this *Journal* throw some light on the matter.

* Herbert Morrison : ‘Government and Parliament’, p. 153.

** The British counterpart of the Indian Committee on Subordinate Legislation.

Liaison Between Government and Parliament

N. K. Bhojwani

IN a Parliamentary Democracy, parliamentary work constitutes one of the major preoccupations of Government. India is no exception to this. Though Parliament's direct relationship is only with the political executive, *i.e.* the Ministers, who are jointly and severally responsible and accountable to it, the day-to-day working of the system makes large claims on the time and resources of the various administrative departments through which Ministers implement the policies endorsed by Parliament and for which they function as spokesmen.¹ Though at any given moment each House of Parliament in a bicameral system may be concerned only with a single legislative proposal or issue of Government policy or performance, pertaining to the charge of an individual Minister, the total parliamentary programme over a period of time has to cover numerous matters concerning many Ministries. The framing and working of the programme of business of Parliament, therefore, requires a good deal of coordination and planning. It also requires a formal and regular *liaison* between Parliament and Government. Different countries have adopted different methods to secure these objectives. In India, the coordination and planning of parliamentary business and momentum of regular and effective liaison between Government and Parliament has been made the responsibility of a separate "Department of Parliamentary Affairs" under a Minister of Cabinet rank. It is the purpose of this article to indicate some of the problems dealt with, the techniques evolved and lessons learnt in the working of that Department.

II

The fact that the major part of the time of Parliament is at Government's disposal to use as it likes places a special responsibility on it to employ that time wisely. With a daily sitting of $7\frac{1}{2}$ hours during the latter part of the last budget session, Government had 30 hours per week available for

official business in the *Lok Sabha* (House of the People). This gave $7\frac{1}{2}$ hours more per week than when the daily sitting used to last for 6 hours only. With a fixed limit of 5 hours per week for questions and $2\frac{1}{2}$ for private members' bills and resolutions, all additional time gained through longer sittings accrues to Government. In the *Rajya Sabha* (Council of States) also all the time other than the question hours and private members' business is for Government to utilise. Left to itself, Government would obviously be tempted to devote all of it to legislation, financial business and the parliamentary discussion and approval of its important policies and decisions. But in allocating the use of its parliamentary time, the Government has to take into account the feelings and wishes of individual members from all sides, particularly in the ranks of the opposition groups.

A Parliament with two Houses and over 700 members exemplifies a complex of emotions ranging from mild concern to intense excitement, serious agitation, deep suspicions, disappointments and frustrations, according to the matters at issue and the temperament of individual members and their party affiliations. Hopes and aspirations stir the parliamentary bosom, no less than any other. Most members are concerned over the paucity of opportunities for speaking on the subjects they are particularly interested in. Some may feel concerned over the jaundice epidemic or agitated over the exodus of people from East Pakistan; some may feel deeply suspicious about the intentions of the Minister for Parliamentary Affairs with regard to the Hindu Succession Bill or wonder whether the Minister for Home Affairs will avoid a discussion of the working of the Preventive Detention Act. Despite party discipline, the human factor plays a greater part in Parliament than is generally realised, and it would be unwise to give it less than its due weight. To the public servants essentially interested in their immediate responsibilities and anxious to get on with their work, a great deal of discussion in Parliament on matters concerning their departments, may at times seem superfluous and wasteful. To the public in the gallery, also, a similar impression may occasionally be imparted. Such an impression arises, however, from an inadequate appreciation of the nature of parliamentary institutions. The quality of eloquence, its logic, relevance and originality may sometimes be questioned but not its need. The average member rightly considers himself

accountable to his constituency and the only concrete evidence, which he can show to his constituents, of his performance in Parliament is his contribution to debates and questions. Many members have observed that local papers in their constituencies make a point of reporting their speeches extensively and thereafter reports spread to the rural areas by word of mouth. A member becomes a topic of conversation in his constituency when he puts a question in the House or speaks in a debate. The need to foster enduring traditions of truly representative Government, and to secure the cordial cooperation of all sections of the legislature, both require that due consideration be shown to the feelings and wishes of the individual members.

In determining the use of its time in Parliament, therefore, Government has to make reasonable allowances for accommodating members' requests for discussions on various subjects and for providing adequate opportunities of participation to as many members as possible on all important issues. Whatever the pressure of urgent business, reluctance to provide adequate time for the use of members causes resentment and is liable to be construed by them as reluctance on the part of Ministers concerned to face a scrutiny and adverse criticism of their policies and performance. A proper apportionment of time is thus a vital factor in promoting harmonious relations between Parliament and Government.

In the United Kingdom, there is an unwritten convention by which, at certain times, especially during debates on supplies, an agreed amount of parliamentary time is placed at the disposal of the opposition and any attempts by members on the Government side to use any of that time are firmly suppressed. A similar convention has not yet been adopted in India. In practice, however, requests from the opposition are treated with special consideration. During the last budget session, for example, the time for the voting of demands for grants for the Ministry of External Affairs was increased from 4 to 8 hours to provide for a discussion on the exodus of Hindus from East Pakistan, requested for by Shri N. C. Chatterjee and Shrimati Sucheta Kripalani, and the programme so adjusted as to place the voting of demands for the Ministry of Rehabilitation immediately thereafter. In this instance it was necessary to have the members concerned agree to and be satisfied with 4 extra hours only ; this and the idea of placing the discussion between debates on the

working of the two Ministries concerned seemed logical and acceptable. Later in the session, a further two-hour discussion was allowed on the same subject.

III

In the discharge of its task of planning and coordination of the parliamentary programme, the Department of Parliamentary Affairs has to keep in touch with all possible sources of business and to service two important higher co-ordinating bodies for the ultimate determination of

- (a) what should be included in the programme for any session ;
- (b) the priorities to be assigned to the different items; and
- (c) the amount of time to be allotted to each.

On the Government side, the highest coordinating body is a Standing Committee of Cabinet known as the Parliamentary and Legal Affairs Committee. On the Parliament side, there is a Business Advisory Committee for each House on which all groups are represented.

The Department has to keep itself informed of about all items of business likely to be brought before Parliament by all Ministries and Departments of Government. Experience has shown that Ministries tend to be over-optimistic about the date by which their projected Bills will be ready for introduction. The Department of Parliamentary Affairs finds it useful, therefore, to consult the Drafting Branch of the Law Ministry to get more accurate estimates. Ministries also tend to regard their own Bills as more important and urgent than those proposed by other Ministries. The Department of Parliamentary Affairs has to arrange a meeting of the representatives of all the Ministries usually presided over by the Minister for Parliamentary Affairs. At this meeting, the Ministries can argue and settle by a process of discussion the question of relative priority to be attached to their respective Bills and other business. Unresolved differences of opinion can be submitted for the orders of the Parliamentary and Legal Affairs Committee of Cabinet. Before each session this Committee settles the final content and priorities of Government business and also lays down the policy to be adopted in regard to private members' bills and new bills.

A tentative list of business for a session is then made by the Department from the list of pending and new bills with reference to the total time available for it, reckoned in terms of hours. After allowing for question hours and private members' business, a 10-week session now leaves a net total of 275 hours for Government business. Of this about 190 hours may be reserved for known legislative business; 30 for debates on important policy matters or events; 20 for discussion of subjects given notice of by members; 10 for 'wastage' consequent on adjournment motions, points of order, statements, laying of papers, etc., and the balance of 25 for 'surprises' which one Ministry or another is bound to spring during the session. For obvious reasons, this broad allocation is never announced. But it constitutes the framework in which business is regulated.

The tentative order of business has then to be suggested so as to ensure : (i) that each House is well supplied with business; (ii) that essential and urgent legislation is disposed of in time; (iii) that there is a reasonable mixture of legislative and non-legislative business to break the monotony; (iv) that there is an adequate interval of time between the disposal of a bill by one House and its taking up by the other; (v) that no essential business is kept on the last day or two of the session in any House; and (vi) that as much as possible of the old pending business is disposed of.

In practice it is rather difficult to balance all the above-mentioned considerations in a bicameral legislature. During the budget session of 1956, it became unavoidable to send to the *Rajya Sabha* as many as 5 major bills in succession within less than 48 hours of their being passed by the *Lok Sabha*—and all during the last few days of the session. Owing to this, certain amendments to an important bill which seemed to be acceptable in principle to the Minister could not be accepted, because there was not sufficient time to send the bill back with amendments to the *Lok Sabha*. Another important bill to amend the Constitution had to be provided for disposal in the *Rajya Sabha* on the last day of the session. It would have been very awkward if a member of the House had died on that day and caused its adjournment. Such an event once occurred in the *Lok Sabha* half an hour before the end of the last day of a session and held up a measure of considerable importance for some months.

Ministers' convenience is also taken into account as far as possible in fixing the dates and order of business. Even though parliamentary business has a prior claim on their time, it is not possible for Ministers to avoid making other engagements especially those which have to be made long in advance. Coordination of anticipated parliamentary duties and other engagements is in the public interest. In fact, it is at times desirable even to accommodate requests in the matter of dates from leaders of opposition groups, occasionally even from individual members keenly interested in particular business. Now that it is coming to be known that parliamentary business is subject to careful planning, the number of such requests is increasing. Though all such requests cannot always be accommodated, this kind of planning helps all concerned to plan their movements and engagements in and outside the capital without running the risk of their clashing with parliamentary business. It is surprising how it seems to take care of most matters, eliminates chopping and changing of business and is a factor of some consequence in promoting harmonious relations between Government and Parliament. It has certainly eliminated complaints about Government's lack of preparedness with a definite programme. Indeed, it allows the Minister for Parliamentary Affairs frequently to announce the probable order of business of the two Houses for as long as two to three weeks at a time.

Nevertheless, the planning of the legislative programme still suffers from a scramble for priority during session time. This often results in elbowing out of the queue bills for which there were reasonable prospects earlier of disposal by certain dates. It also upsets administrative plans laid out for the implementation of anticipated legislation. During the budget session of 1956, the sudden emergence of the Constitution (Amendment) Bill (in connection with sales tax on inter-State transactions in goods) resulted in postponement by three months of the passing of the Securities Contracts (Regulation) Bill, though an assurance had been given to the Company Law Department that the bill would be disposed of by the end of May. Fortunately, the two rival bills came from the same Ministry.

In the same session, the Reserve Bank of India (Amendment) Bill also made an unannounced debut with a pressing demand for priority. The Department of Parliamentary Affairs successfully pointed out that neither deficit finance nor

credit inflation, the control of which by the Reserve Bank is the object of the bill, could reasonably be expected to descend on the country like a cloud-burst, the bill could therefore safely wait till the next session.

A great deal of avoidable rush and consequent strain on the drafting division of the Ministry of Law, and doubtless in the administrative Ministries also, could be obviated if Ministries were to plan their legislative proposals with due regard to their urgency, relative priority and availability of time for their consideration in Parliament. An advice issued to all Ministries in February 1956, to the effect that all the time of Parliament up to the end of April was committed to business in hand, and Ministries, therefore, need not rush with their legislative proposals, had the desired effect to some extent. But there still appears to be an impression—though incorrect—that the introduction of a bill assures a place of priority for it. It seems advisable therefore to exercise a control on the introduction of bills. In the absence of such control, many bills, though introduced, have remained on the pending list for too long a period.

IV

Closely allied with the order of business is the problem of the allocation of time for each item. The Indian Parliament has evolved a practice, which is peculiar to it and rather uncommon elsewhere, of allocating a specific period of time for each item of business. In the *Lok Sabha*, particularly, it is uncommon nowadays for any business to be taken up without a pre-determined time-allocation for it, within which it has to be completed.

The allocation in terms of hours is unique in the sense that the time allocation is initially agreed to by representatives of all parties composing the Business Advisory Committee and subsequently by the House when the Committee's recommendations are presented to it by the Minister for Parliamentary Affairs with a motion for their acceptance. The recommendations are generally accepted by the House because they emanate with the prior agreement of the representatives of various parties. With this practice, it is possible to plan the day-to-day business of Parliament almost with the precision of a railway time-table.

The allocation of time is based on a careful study of bills. It is proposed in the first instance by the Department of Parliamentary Affairs. Leaders of opposition groups are frequently consulted in the lobbies and elsewhere. Frequently, Ministries concerned cannot resist the temptation to tender advice on what would be reasonable time. To them the bills generally appear to be so simple, well thought-out and non-controversial as to require only a little time for disposal and, therefore, meriting priority. After reasonably discounting the views of Ministries whenever offered, the Department prepares its recommendations and makes them seem as reasonable as possible so as to facilitate acceptance by the Business Advisory Committee.

The meetings of the Business Advisory Committee can be quite stormy with the Minister for Parliamentary Affairs as the principal subject of attention. The usual charge against him is that his recommendations for allocation of time are unrealistic and designed to hustle the House.

From the point of view of the individual members, the agreed assignment of a time-limit for each item of business does restrict opportunities for eloquent intervention on all matters in which they may be interested. On the other hand, the system also serves to prevent the deliberate development of obstructive tactics of individual or organised opposition groups.

V

With a clear picture of what Parliament has to do and in what order and time, the two Houses are set out on their journey. Constant watch has to be kept on the progress of business in them and their requirements of it.

Constant vigilance is also necessary for maintaining cordial procedural relation between the two Houses. Each House is rather jealous of its rights and prestige and reacts quickly when anything amounting to discourtesy or indifference in form or procedure occurs. Thus it was necessary to take notice of the fact that the *Rajya Sabha* was in recess when the Appropriation Bill for Vote on Account for Travancore-Cochin State was passed by the *Lok Sabha* at the end of March 1956. If the Bill had been sent to the *Rajya Sabha* immediately, which *Lok Sabha* Secretariat would have

been well within its rights to do, it would have been deemed to have been passed by both Houses within fourteen days because the *Rajya Sabha* would not have been able to consider and return it within that period. It was, therefore, arranged with *Lok Sabha* Secretariat that the transmission of the Bill to *Rajya Sabha* be delayed till a week before that House reassembled. The right of the *Rajya Sabha* to consider the Bill was thereby preserved.

But when the Department tripped up on another matter, murmurs of displeasure were audible. This occurred when a bill was brought forward to replace another, which had been passed by the *Rajya Sabha* but was pending in the *Lok Sabha* and had been allowed to be withdrawn. The new bill was, however, introduced in the *Lok Sabha*. Some members of the *Rajya Sabha* were hurt over this neglect of their prior right to consider the substitute bill, just as some members of the *Lok Sabha* were displeased when the Minister for Finance said something in the *Rajya Sabha* about the leakage of the last budget before he had an opportunity of doing so to the *Lok Sabha*. The two Houses are equally sensitive to the attention or lack of it with which they are heard by Ministers and strongly object to a Minister being absent while a matter relating to his responsibilities is being discussed in the House. It is the duty of the Department of Parliamentary Affairs to ensure that any comment in this regard is brought to the notice of the Minister and any general observations made by the Chair, to the notice of all Ministers. When matters like the President's Address, general discussion on the budget or a debate on the Five Year Plan in which the work of many Ministers is liable to figure, come up for consideration, a daily duty roster is prepared for various Ministers for the period of discussion, to ensure the presence of 5 to 6 Ministers throughout the discussions. This practice, introduced recently, has worked well and apparently given much satisfaction.

Equally satisfying, though rather taken for granted, are the efforts made to render to Parliament an account of action taken on assurances given to it by Government. In their dealings with Parliament, Ministers are often led into giving assurances. This frequently occurs during the question hour. On certain days as many as twenty assurances may be recorded. They largely arise from replies to questions stating that the information asked for is being collected and would be placed on the table in due course. But there are many other

observations of Ministers which amount to assurances for doing one thing or another. Thus a Minister may promise to investigate a certain matter which a member may refer in a supplementary question. He may undertake to bring forward a piece of legislation which will incorporate the provisions of a bill brought forward by a private member and on that undertaking the member may be persuaded to withdraw his bill. Similarly an amendment to a bill may be withdrawn on an assurance being given that through executive action Government will ensure the object of the amendment.

Government's accountability to Parliament implies that all such assurances should be implemented faithfully. The Department of Parliamentary Affairs keeps track of such assurances and sees to it that Ministries implement them satisfactorily. Action taken on assurances is reported from time to time to the House concerned by the Minister for Parliamentary Affairs and also communicated to the individual members concerned.

VI

A little research in the subject has shown that considerable administrative effort could be economised through a more careful drafting of replies to questions and in making statements on the floor of the House. In this, Ministries and Ministers exhibit sharp differences of approach and methods. Some Ministers rarely say anything which is liable to create an obligation for future action. Some are extremely liberal in promising action on suggestions made by individual members. Likewise some Ministries are prone to dispose of questions by stating that the matters referred to are under consideration. Supplementaries on such questions tend to end up in unnecessary assurances, unless Ministers are careful. That it is possible to control the number of assurances given is shown by the effect of the advice occasionally tendered by the Minister for Parliamentary Affairs to his colleagues, to exercise caution in making statements amounting to assurances and to give assurances only when they are meant to be given. The burden of accountability arising from assurances given, however, continues to be heavy.

In this respect and in certain others also it appears that Ministries have yet to master the proper techniques of dealing with parliamentary work. Their approach to it seems to

be excessively cautious and in consequence indiscriminating. The priority attaching to parliamentary business may be a contributory factor. Ministers' attitudes doubtless play their part also. The rules of procedure and conduct of business in Parliament and the methods of the secretariats of Parliament should also accept some responsibility for this. All told, the work probably makes heavier demands on the time and energy of the administration than is necessary or intended.

Let us take the case of cut motions, *i.e.* motions to make a token cut in the demands for budget grants made with the object of raising a discussion regarding particular point of failure or inadequacy of policy or administration. Hundreds of them are given notice of in every budget session. They continue to pour into Ministries right up to the end of the day previous to that fixed for the discussion and voting of grants. There is hectic activity in the Ministries to prepare briefs on as many of them as possible regardless of their importance and of the fact that there is no discussion as such on individual cut motions. Such of them as are eventually moved, are put to the vote collectively. A great deal of labour could doubtless be saved by a discriminating selection and by restricting the briefs only to matters which are likely to be referred to by members or to which Ministers may like to refer. It is obviously not possible for members to refer to all subjects covered by cut motions, much less for Ministers to deal in their replies with all the points made by members. Most Ministers do not speak at the beginning of the discussion of their demands. Some do and seem to succeed in setting the tone and pattern of discussion. An amendment of the rule of procedure regarding cut motion also seems to be called for, to provide for two days' notice of cut motions instead of one day, to allow more time to the departments to sort them out.

Questions in Parliament constitute another time-consuming task. The number of questions of which notice is given is very large. Many of them are of doubtful admissibility. The secretariats of the two Houses have introduced a system of referring such questions to the Ministries concerned for a "statement of facts" which would assist in deciding whether the question should be admitted. In sending such statement of facts the Ministries tend to labour far too much and prepare full replies. It will perhaps suffice if they stated whether (i) a question involves repetition

of another put earlier ; (ii) it is acceptable, and if not, why not; (iii) it involves expenditure of time, money and labour out of proportion to its intrinsic value; (iv) information it seeks is available in a published document. There is also need for increasing the 10-day limit of notice of questions, quicker intimation of disallowance, postponing of dates for replies where necessary and a better screening of questions to exclude those which seek information of no particular significance. It also appears that in respect of questions pertaining to attached and subordinate offices, Ministries do not generally make enough use of material in their files or returns and reports already in their possession. This often results in promising information at a future date and carrying forward unfinished business. The nature of a question doubtless determines the amount of work it demands. In this respect, legislators too could show more discrimination and a better sense of values.

VII


The function of the Department of Parliamentary Affairs to act as a machinery for liaison between Government and Parliament, extends not only to the business done in open sessions of the two Houses but also to some extent to business done in Committees of Parliament such as the Public Accounts Committee and the Estimates Committee. Situations of some difficulty are liable to arise if in the course of their deliberations such Committees ask for disclosure of information or production of files and documents and the Ministry concerned feels that the material is either irrelevant or such as to make its disclosure undesirable in the public interest. In such cases the Minister for Parliamentary Affairs may have to intervene in order to secure appropriate directions from the Speaker.

Another important item in which there is scope for further and more fruitful liaison between Government and Parliament may also be mentioned here. India is a big country and with the ever-growing extension of government activities and development planning, it seems essential that the members of the national legislature should see and know the country in all its diversity if they are to perform their duties with the necessary knowledge and understanding of facts and problems of all parts of the country. Despite the fact

that members are now given railway passes to travel without restriction, it will be rash to conclude that travel-mindedness, much less travel-for-learning, will develop without properly organised and conducted tours. Experience of three organised visits, by members to Bhakra and Nangal and to the Forest Research Institute and Survey of India at Dehra Dun, has demonstrated that such tours can provide wider and deeper understanding of national problems and greater appreciation of the vastness and complexities of administrative tasks and of the need for conferring on the men on the spot, engaged in the execution of these tasks, an adequate means of authority even at the risk that errors of judgments may occasionally occur. Such visits may provide the answers to many questions which need no longer be put in Parliament and suggest others for consideration.

VIII

An attempt has been made to describe in these pages the nature and purpose of the liaison which subsists between two of the major organs of the body politic, namely, Parliament and Government. The machinery evolved for this purpose in India is still in the process of development and perfection, but it has already demonstrated its effectiveness. If in describing its working and suggesting areas for improvement, the writer has given the impression of presuming to criticise his betters, he has been guided solely by consideration of a sincere and objective evaluation and without any intention to pass judgments on the actions of individual Ministers or members of Parliament.



Nationalisation of Telephone Companies

T. R. Mantan

BARRING the company-managed Railways, the first privately worked undertakings to be nationalised in India were the telephone companies operating in big cities, namely, Calcutta, Bombay, Madras, Ahmedabad and Karachi. The history of these privately owned telephone systems dates back to 1877 when the possibilities of working the telephone on a commercial basis were first visualised. Though the Government of India were then already operating the telegraph services through the agency of the Indian Telegraphs Department, these had not yet proved commercially successful and they did not like to be drawn into a new venture the commercial possibilities of which were yet uncertain. The Government acting on the precedent of the United Kingdom, where similar licences were granted to private companies, decided to grant licences for establishing telephone systems in the big cities of India. These licences were first given in 1881. In 1903, new licences were granted to the companies for a term of 60 years with an option to Government to acquire their systems on the expiry of a period of 20, 30 or 40 years.

The first opportunity for the Government to exercise the option was due in 1923, and the question was taken up immediately after the first World War. The prevailing atmosphere in the Central Government in those days was full of schemes for retrenchment and economy and no one was in a mood to incur expenditure on new schemes which might prove to be unremunerative or involve future capital liabilities to any large extent. Most of telephone equipment of the companies was very old and in urgent need of replacements. That would have cost Government a great deal of money and after all the necessary improvements had been effected, the systems might not after all turn out to be remunerative. The Government, therefore, decided to give a fresh lease of 20 years to the telephone companies on the understanding that they would modernize their telephone systems.

The next occasion for the Government to take over the private telephone systems arose in 1943. The matter was taken up for consideration four or five years before the due date for the exercise of the option to acquire. The telephone systems in the big commercial centres of India like Calcutta, Bombay, Madras, Ahmedabad and Karachi, run by private companies, were then in a very flourishing condition. The companies were able to pay rich dividends to their shareholders even after paying a royalty of 5% to Government on the gross earnings. This time the Government of India decided to acquire the systems. Apart from the fact the private telephone systems had proved to be commercially remunerative, and there was good reason to believe that extension of the system to other centres would be a self-supporting service. Government also realised that from the point of view of standardisation of equipment, economy in operation, rationalisation of rates and planning for future development etc., it was necessary to integrate the entire telephone system of country under a unified control.

II

The decision to acquire private telephone systems brought in its wake administrative, financial and organisational questions of various kinds. The most important of these was the acquisition of physical assets of the companies, which involved valuation of all the properties and assets. Fortunately, provision had already been made in the licences granted to the companies. It had been laid down that Government would pay to the companies the "then value", i.e. the market value at the time of purchase. Even so, this definition of "then value" might have presented difficulties in interpretation but for the U.K. precedent in the matter. In that country the telephone systems had been nationalised about the year 1911. The interpretation of the various terms in the British Agreements, which in respect of the payment of purchase prices were similar to the Indian licences, had been the subject of a law suit and the court had interpreted the term the "then value" as the cost of reconstructing the assets on the basis of the market prices prevailing on the date of acquisition, having due regard to the state of depreciation, and other relevant factors.

The Government of India took up the question of valuation of the assets of telephone companies in November

1939, when the second World War had already broken out. It was thought that the maintenance of an efficient telephone service in big cities would be very important during the War and since the companies, who had been informed about the Government's decision to purchase their undertakings, would no longer be interested in making provision for the proper maintenance and the normal expansion of their systems, the Government should, if possible, take over the systems before 1943 by negotiation with the companies. It was necessary, therefore, that the valuation should be completed as early as possible. The assets of the companies were of various kinds, comprising lands, buildings, plant, machinery, equipment, etc. Some of these were very old, dating back to 40 or 50 years while others were very recent additions. As the orthodox method of valuing each and every kind of asset separately would have taken a very long time and required the employment of a large staff of engineers, it was decided that valuation should be done by the accountants' method, i.e. according to the book values of the various assets as shown in the account books of the companies which had been audited by registered auditors. This involved certain risks against which precautions had to be taken. For example, the companies had been reconstituted in 1923 when their assets were revalued and the original book values had been appreciated to permit dilution of the share capitals in order to give the benefit of appreciation in the value of the assets to the old shareholders. After the book values of the assets had been correctly ascertained, it was essential to calculate the appreciation in prices between the date of the original installation of the assets and the date on which Government were intending to acquire them, i.e. the present-day cost of reconstruction had to be worked out and the cost so worked out had then to be depreciated by applying the correct rates of depreciation on the basis of life of each asset.

III

After the purchase price payable to the telephone companies had been worked out on this basis, certain legal difficulties arose in the acquisition of the telephone companies systems before 1943, which was next due date for exercising the option to acquire. It would have been possible to overcome the legal difficulties by new legislation, but nationalisation was in those days looked upon as an exceptional measure and Government had to proceed very cautiously. As the

Government wanted to proceed strictly in accordance with the law, it was considered desirable to adopt some other method for acquiring indirect control over the private telephone systems, leaving the question of direct purchase by the Government to be completed in 1943 under the terms of the Agreement. Advantage was therefore taken of the provision of the Indian Companies Act under which one company could purchase the share capital of any other company or companies. A special private company, to be known as the "Government Telephones Board Limited" was therefore set up to acquire the share capitals of the telephone companies at Calcutta, Bombay and Madras. The Bombay Company also controlled the telephone systems at Karachi and Ahmedabad.

The "Government Telephones Board Ltd." was registered in 1940 as a new company and this was, perhaps, the first time that Government promoted a holding company for acquiring a commercial concern and thereby created a unique precedent in India—of a Government-owned company operating a commercial enterprise. The private company form of organisation has since been adopted for operating many of the new Government-sponsored industries like the Indian Telephones Industries Ltd., Sindri Fertilizers Ltd., Hindustan Cables Ltd., Bharat Electronics Ltd., etc. This form of organisation allows the Government commercial and industrial undertakings the necessary autonomy in the management of their affairs on business lines which is vital to their successful working and expansion, while overall control and guidance of Government is maintained through the officers of Government who are appointed as members of the Board of Directors. In the case of general public utility service like the telephones, direct departmental management was considered more suitable and the telephone systems were directly acquired by Government as soon as it could legally be done, *i.e.* the transfer from company to Government management in 1943, did not present any difficulty as the Government were at that time the virtual owners, through the Government Telephone Board Ltd., of all telephone systems.

IV

While the most difficult part of the transaction in the nationalisation of the telephone undertakings was the question of valuation, the questions relating to organisation and taking over of staff were also important.

The telephone companies, although they were registered in India, were mostly owned by foreign interests; in particular, more than 50% of the shares were held by a British telephone company. Each of the companies had its own Board of Directors and a highly paid European Managing Director in addition to a large staff of high salaried technical officers who were also mostly Europeans. In order to make the transition from company management to Government ownership as smooth as possible, the entire personnel of these companies was taken over on the then existing terms and conditions of service except the highly paid staff like the Managing Directors. The latter were offered very short-term contracts on slightly lower salaries—their retention in service being necessary to tide over the immediate difficulties created by the transfer. Their services were, however, dispensed with after the expiry of these short contracts. The technical staff were offered service contracts for two to three years at a time. All the Indian staff were retained on a permanent basis and their existing terms and conditions of service were allowed to continue until such time as the Government of India were able to offer them the departmental scales of pay and conditions of service.

The companies' staff used to get various kinds of concessions and allowances, generally not given in Government service. For example, most of the companies paid an annual bonus to their staff. One of the companies was also paying the income-tax on behalf of their staff. In some cases free lunches and dinners were provided for the operative staff to reduce the incidence of absenteeism, save time, etc. Any reduction in the total emoluments of the companies' employees would have caused great resentment and discontent among the staff, which, in turn, would have adversely affected the efficiency of service. It was, therefore, decided that total emoluments inclusive of allowances, concessions, etc., should not be reduced. The cash equivalents of the concessions which the former companies' employees enjoyed were worked out and these were taken into account in arriving at the new total emoluments for various categories of personnel.

The question of fitting in the newly acquired telephone systems into the Post & Telegraphs Department was next taken up. The matter had to be considered both from the point of view of the organisational set-up immediately after

nationalisation and the ultimate place which the large telephone units were to occupy in the overall integrated administration of the Department. From the very beginning, it was fully recognised that these telephone systems would have to be treated as separate administrative entities in view of the distinctive nature of work, size and revenue-earning capacity and that it would not be in the interests of efficiency of service to place them under the existing P. & T. circles which already constituted fairly heavy administrative 'charges'. There was not, therefore, much difference in the immediate and ultimate organisational set-up of the newly acquired telephone systems which were formed into separate telephone districts, directly under the control of the Directorate General of Posts & Telegraphs like other P. & T. circles.

V

In retrospect, it appears that the acquisition of the private telephone systems was a long drawn-out process. It could have been considerably shortened by enactment of special legislation; at least the intermediate step of setting up a Government owned private company for acquiring the shares of the telephone companies could have thus been avoided. But nationalisation by legislation was then not in consonance with the spirit of the times and the Government had to act strictly within the framework of the existing laws. Nationalisation on a large scale was ushered in by the Labour Government in the U.K. after the second World War; and in India it came still later, *i.e.* after the attainment of independence in 1947.

The experience gained in the nationalisation of the telephone companies was later utilised in the acquisition of the Overseas Communication Service, which is concerned with the operation of the external telegraphs both cable and wireless, radio telephones and radio services. This service was previously in the hands of a private licensed company, known as the Indian Radio & Cable Communications Co. Ltd. In this case, however, it was not necessary to purchase the shares of the company and the service was acquired in January 1947 on a valuation which was done exactly as in the case of the telephone companies. The employees were also taken over as in the case of the telephone companies, at first on their then existing conditions of service, and later fitted into departmental scales of pay.

Problems of Delegation

K. Khosla

AS an organization grows in size and complexity, the top man must delegate, that is, "entrust to another's care" a portion of his responsibility and authority, simply because the job has grown too big for him. The higher his position in the hierarchy, the wider his span of supervision and responsibility and the greater his need for delegation. We must delegate not only a part of the general management function, but also of "functional management", that is, management of specialist functions like engineering, accounts, and human relations, and use specialists in the interests of efficiency and economy.

What Cannot Be Delegated

The problem of delegation may be considered in terms of duties, authority and accountability. An executive may delegate a portion of his duties and authority but not accountability. He may re-delegate much or little, to many or to a few, but the liability for the discharge of his total function must remain with him. If any mistakes are made by his staff, he must accept responsibility for them, and not "pass on the buck".

How Much to Delegate

The degree of delegation depends upon the size of the enterprise, its stage of development, the personalities at the top and the quality of the executive hierarchy as a whole.

Broadly speaking, the larger the size of the organization, the more numerous and complex the problems and the greater the need for delegation.

Again, there can only be an inverse correlation between delegation and the age of an organization. An enterprise which is experiencing birth pangs or is going through an economic crisis and is struggling to arrive at stability, needs a highly centralised command for obvious reasons. But once stability is reached, decentralisation or delegation becomes necessary for the continuance and growth of the enterprise.

To take the instance of the nationalised coal industry in Britain, complaints of over-centralisation have not been infrequent. Yet, the Fleck Committee—Mr. Fleck, by the way, is Chairman of Imperial Chemical Industries Ltd.—in its report to the National Coal Board in January 1955, came to the conclusion that considering the industry's backwardness, its shortage of high quality personnel, and the difficulties of the task of amalgamating some 900 collieries previously controlled by some 800 firms, the Board's administration could not be said to be over-centralised. Some decentralisation has doubtless taken place since the vesting day in 1947 and more should follow as the organization gets older.

The third factor determining the degree of application is the personalities at the top and the quality of the executive hierarchy as a whole. If the top executive is egoistical and regards everybody else a fool, or is too fond of power or is unable to grow out of his past, when, as an accountant or a super-craftsman, he did most of the work himself, delegation would be inadequate or ineffective or both. Delegation also becomes difficult, if the executives down the line are of low calibre. But, here the blame lies with top management. Why promote unpromotable material?

II

Process of Delegation

The process of delegation may be explained by reference to the Tata Iron & Steel Company (usually referred to as Tisco). While centralisation was inevitable in its early stages, it is perhaps true that until recently the rate of decentralisation had not kept pace with the size and age of the organization or with the requirements of the times. Executive morale at different levels naturally suffered in consequence. The management realised that further delegation of responsibility and authority was necessary not only to disburden executives at different levels of unnecessary routine and enable them to devote more time to thinking and planning, but also to develop executives down the line and reinfuse confidence into them. On the 17th of January, 1955, a Management Research Unit was set up as part of the Managing Agents' organization at Jamshedpur, and one of its first assignments was to prepare instruments of delegation for different levels of management both vertical and horizontal. As a result of this study, it was found that while the organization

was sufficiently decentralised at the level of the Managing Agents, the divisional and departmental levels were over-controlled, and also that the scope for decentralisation at these levels differed in respect of financial and personnel activities. Eventually, sixteen separate instruments of delegation were prepared and issued by management, covering executives from the General Manager downwards. As a result, there has been a considerable reduction in the workload at different management levels. It may be added that in the preparation of these instruments, a wide use was made of the technique of inter-management consultation, not only because such consultation is always a source of satisfaction to the parties consulted, but also because at the executive level, it is the man that largely makes the job and, therefore, he is the right person to advise if the proposed delegation would meet his requirements.

Nor were these instruments of delegation regarded as static or fixed for all time. In dealing with the subject of delegation in such a vast organization as Tisco's some omissions are almost inevitable; besides, experience can always point to new needs and possibilities. In fact, some changes have already been made in the instruments of delegation either on top management's own initiative or on suggestions received from the executives concerned.

It is also the intention of management to carry delegation further down the line. It is felt, however, that before this is done, the supervisory staff should be given some management training. With this object in view, a Company Information Course was organised towards the end of 1953, and it ran for a period of about a year and a half and covered some 1200 supervisors. The Course sought to improve their knowledge and understanding of company policies, methods and procedures and the whys and wherefores, and also to draw out the views and opinions on various matters of common interest. A start has also been made with T. W. I. (Training Within Industry). This will be followed by other courses, as the need for training can never end. In addition, the Management Research Unit is now engaged on the codification of establishment rules and procedures for the guidance of the supervisory staff. As soon as the conditions are felt to be ripe, consultations will be held with a representative cross-section of the supervisory staff and suitable instruments of delegation for them worked out.

III

Methods of Delegation

As a result of a recent study of organization planning and of delegation as practised in some fifty leading companies, the National Industrial Conference Board of New York has developed the following four principles of delegation for the guidance of executives* :

- (a) The responsibility and authority to be delegated should be clearly defined, preferably in writing;
- (b) Authority should be delegated commensurate with the responsibility to be discharged;
- (c) A person should be accountable only to the person who delegates authority and responsibility to him; and
- (d) The degree of delegation should be proportional to the availability of effective controls.

The Tisco have accepted these principles, not so much as the specific basis of delegation, as parts of the broader scheme of organization, planning and control. The management realises that before it can improve what exists, it must know what exists and that for this purpose, as experience elsewhere has proved, written job descriptions and organization charts should prove invaluable.

It is generally argued that written job descriptions tend to dry up the springs of initiative by confining an executive to a narrow, rigidly defined area. This danger is not real, if the descriptions are properly written up. They should indicate a broad area in which the individual can operate, grow and expand, establishing at the same time, harmonious relationships with other executives. Nor is the area once defined fixed for all time. It may be broadened on the basis of experience, if necessary.

After careful study and consideration, the Tisco management came to the conclusion that it should, first of all, collect all relevant information about each executive position and prepare a management guide, patterned—subject, of course, to certain modifications to suit local conditions—on that of the Standard Oil Company of California, which is

* *Management Record*, March 1955, pp. 90-92, 122-124.

one of the best guides in existence. The first question the management had to face was—how best could such information be collected?

It was decided to use a questionnaire for the purpose. A draft questionnaire was prepared, and discussed at great length with two *ad hoc* committees, one representing a fair cross-section of the Works departments and the other the departments outside the Works. Care was taken to ensure that the questionnaire as it finally emerged from these discussions commanded the widest possible measure of agreement. The next step was to pre-test the questionnaire and for this purpose the members of the two committees were requested to fill it up in respect of their own positions. The results of the pre-test were satisfactory and copies of the questionnaire have been circulated to the chief superintendents and departmental heads. The staff of the Management Research Unit have sat with the executives and been over the questionnaire with them, giving such assistance as was required, and already about 60% of the executives have sent in their replies. It is to be hoped that the Management Guide should be ready in two years' time. A specimen job-description will be found in the *Notes* at the end of the article.

In brief, the main objectives in compiling a Management Guide are :

- (i) To designate the duties and responsibilities of each executive position, so that each individual knows what is expected of him, and unnecessary activities, overlapping of functions and gaps between responsibilities, if any, are eliminated and 'empire-building' is avoided.
- (ii) To establish and clarify relationships between organizational levels. This should make for improved team-work and co-ordination within the organization, so essential for the successful working of the process of delegation.
- (iii) To define staff-line relationships. Here the basic principle is that the operations of a line-and-staff organization like Tisco's must be managed, administered and controlled basically through the line.
- (iv) To establish authority commensurate with the duties delegated to each management position.
- (v) To improve the company's organization structure, observing among other recognised principles of organization, the "unity of command" principle, namely, that no person should have more than one boss for the same function.

The information that is being collected about the different executive positions will be useful for the following purposes also :

- (a) the selection, transfer and promotion of executives;
- (b) the development of a job rotation programme designed to widen the experience of promising executives;
- (c) the appraisal of executive performance;
- (d) the development of suitable training course for executives based on common executive weaknesses discovered through executive appraisal; and
- (e) as a possible aid in the evaluation of executive positions in terms of the relative duties and responsibilities of different positions.

Incidentally, job rotation, executive appraisal and development of training courses [items (b), (c) and (d) above] are some of the essential steps in any executive development programme.

Suitable executive appraisal forms as well as procedures for supervisory selection and promotion have been evolved. The nineteen critical factors on which an executive is to be appraised include delegation as well as planning and organising, handling people, and sociability and co-operativeness which are essential for the effective working of delegation. The appraisal form covering these factors is reproduced below.

IV

Availability of Controls

There must also be an effective system of controls commensurate with responsibility and authority delegated, to draw the attention of top management to deviations from established plans and programmes in respect of operations, costs, etc. Such controls, if properly understood at all levels, cause little difficulty in practice. The difficulty arises when, in order to satisfy itself in a general way that everything is proceeding according to plan, the top executive asks questions which amount to simple request for information in the beginning but may end up unwittingly with supervision or with suggestions which have the force of commands. In order to avoid this difficulty, the Tisco management have

adopted a policy that having delegated authority to lower management levels and thus having passed a self-denying ordinance, it must accept and support the decisions of the lower levels as management decisions. *If it is not satisfied with the over-all performance of an executive, it should change him rather than interfere in decisions that belong to him.*

Delegation and Time-Span of Decision

A clear-cut definition of duties and responsibilities of each executive position, clarification of organisational and staff-line relationships, establishment of limits of authority commensurate with responsibility, and a general streamlining of the Company's organisation structure with a suitable executive development programme should serve not only to facilitate the working of delegation but also to curtail the time-span of decision. Some of the other ways of reducing this time-span are :

- (a) "Responsibility with commensurate authority should be delegated to the lowest level at which all facts for an intelligent decision are available". The man "on the spot" being well acquainted with local conditions, conventions and practices can give quicker decisions than a remotely placed authority.
- (b) The top executive must have access to adequate facts so that he may be able to arrive at correct decisions with the minimum loss of time. If his workload is too heavy and every other possibility of delegation has been exhausted, he should be provided with "staff assistance", and if necessary, with "line assistance".
- (c) A proper study of office organisation, methods and procedures, and of possibilities of mechanisation of clerical work may suggest measures that would increase efficiency and reduce the time-span of decision. For such study, the British Treasury and on its example, firms like Unilever Ltd., and Joseph Lucas in England and the Central Government and some of the State Governments in India have set up what are called "Organisation and Methods Divisions".

V

In this article, nothing more has been attempted than to give a bird's-eye-view of some of the major aspects of the problem of delegation. If it succeeds in stimulating thought and interest in the subject, it will have served its purpose.

NOTES

I

ANNUAL EXECUTIVE APPRAISAL

IMPORTANT :

- (1) The executive should be appraised in his present position only.
- (2) Personal feelings should not influence the appraisal.
- (3) Base your judgment on the entire period covered, and not upon isolated incidents alone.
- (4) Each factor should be appraised independently, uninfluenced by the rating on other factors.
- (5) Skip the factor that is not relevant.

NAME..... POSITION..... DEPARTMENT..... DATE OF APPRAISAL.....

(Circle appropriate figure against each factor that is applicable)

Rating by higher executives. (Enter appropriate figure only if different from original rating)

5 EXCELLENT	4 GOOD	3 AVERAGE	2 FAIR	1 POOR	Ex.A.	Ex.B.	Ex.C.	Ex.D.
1. KNOWLEDGE OF WORK : familiarity with the various methods, processes, or procedures of the work.								
Exceptional mastery of all phases of his work.	Thorough knowledge of practically all phases of his work.	Adequate knowledge of particular job.	Insufficient knowledge of some phases of job.	Inadequate comprehension of requirements of job.				
2. EXPERIENCE : skill and practical wisdom gained by personal knowledge.								
Broad background for particular job.	A fairly comprehensive background.	An adequate background.	Has some background but requires direction.	Inexperienced or unsatisfactory background.				
3. PERSONALITY : the external mannerisms consciously or unconsciously adopted in meeting situations.								
Radiant, confident, poised, courteous.	Pleasant, forceful.	Likeable.	Ill at ease, not too forceful.	Negative colourless person.				

<u>5 EXCELLENT</u>	<u>4 GOOD</u>	<u>3 AVERAGE</u>	<u>2 FAIR</u>	<u>1 POOR</u>	Ex.A.	Ex.B.	Ex.C.	Ex.D.
4. PRESENTABILITY : appearance, manner and dress. Exceptionally striking.	Neat and quite striking.	Neat, but not particularly striking.	Often careless.	Slovenly and untidy.	—	—	—	—
5. CHARACTER : the integrity of an individual and moral courage to admit mistakes and face performance objectively. Has the courage of his convictions and unquestioned moral habits.	Morally sound—Tolerant.	An average human being possessing average personal weaknesses.	A person whose behaviour harms no one but himself.	A person who is a bad influence on the behaviour of the group.	—	—	—	—
6. MENTALITY : the quality of mind, mental power and creative intellectual ability of a person. Superior ability to think clearly and creatively and arrive at sound conclusions.	Worthwhile ideas of his own, and ability to make useful decisions.	Well informed on certain subjects useful in his daily work.	Little ability to comprehend, interpret or grasp new ideas.	Unable to reason logically.	—	—	—	—
7. SOCIABILITY : a sense of mutual relationship, companionship and friendliness with others inside or outside the Company. A genuine interest in people, and extremely well liked by others.	A friendly, pleasant person, happy in a group.	Willing to be a part of a group but makes a little contribution.	Poorly adjusted to the group.	Unwilling to be a part of any group activities.	—	—	—	—
8. EXECUTIVE CAPACITY AND SENSE OF RESPONSIBILITY : the ability to execute and achieve an assigned task and willingness to assume duties. Completes assignments in the shortest possible time. Greatest possible sense of responsibility.	Completes assignments in a short time. Very willing.	Completes assignments in a reasonable time. Accepts but does not seek responsibility.	Slow in completing assignments, or does not complete them. Reluctant.	Takes a long time to accomplish little. Irresponsible.	—	—	—	—

5 <u>EXCELLENT</u>	4 <u>GOOD</u>	3 <u>AVERAGE</u>	2 <u>FAIR</u>	1 <u>POOR</u>	Ex.A.	Ex.B.	Ex.C.	Ex.D.
9. <u>COOPERATIVENESS</u> : an appreciation of collective action for mutual profit or common benefit.	Greatest possible co-operativeness.	Very cooperative.	Cooperative.	Difficult to handle.	Obstructive.	—	—	—
10. <u>JUDGMENT</u> : the ability to grasp a situation and draw correct conclusions.	Extremely sound judgment.	Good judgment.	Good commonsense.	Poor judgment.	Neglects and misunderstands the facts.	—	—	—
11. <u>INITIATIVE</u> : the desire and ability to introduce a new course of action.	Seeks and sets for himself additional tasks, highly ingenious.	Resourceful.	Fairly progressive.	Rarely suggests.	Needs detailed instruction.	—	—	—
12. <u>EXPRESSION</u> : the ability to express one's thoughts and feelings both orally and in writing.	Unusually good in expressing thoughts and feelings; master of good speech and writing techniques.	Speaks and writes well.	Nothing about his speech or writing that is distinctive or distasteful.	Careless speech and writing habits.	Unable to express himself orally or in writing.	—	—	—
13. <u>ACCURACY</u> : a high percentage of freedom from mistakes.	Highest possible accuracy.	Very careful.	Reasonably careful and accurate.	Relatively careless and inaccurate.	Worthless work.	—	—	—
14. <u>COST-CONSCIOUSNESS</u> :	Highest possible degree of cost-consciousness.	A fairly high degree of cost-consciousness.	Reasonably cost-conscious.	Does not pay much attention to costs.	Entirely careless of costs.	—	—	—
15. <u>HOUSE-KEEPING</u> :	An excellent house-keeper. Extremely orderly.	Maintenance of machines, equipment, or fixtures and attention to cleanliness and tidiness.	Very orderly. Almost everything in right place.	No particular disorder. Most things in right place.	Disorderliness in Unit. Many things out of place.	Unit very disorderly, untidy and unclean.	—	—

5 EXCELLENT 4 GOOD 3 AVERAGE 2 FAIR 1 POOR Ex.A. Ex.B. Ex.C. Ex.D.

16. HANDLING PEOPLE: the ability to understand and handle people, appreciate their difficulties and show interest in their welfare.

Superior ability in handling people. Good at handling people. Takes great interest in their welfare. Takes highest possible interest in their welfare. Satisfactory relationship. Fails to command confidence. Antagonises people.

17. DELEGATING WORK: the assignment of specific responsibilities.

Superior ability in recognising individual's capacities, cities. Good at delegating tasks. Capable in recognising individual's capacities and delegating work. Frequently fails to recognise individual's capacities or delegate work. Tries to do all the work himself.

18. PLANNING AND ORGANISING: success in organising, by planning the activities of his subordinates, delegating authority, and planning to complete tasks to schedule.

Highest possible effectiveness. Effective under difficult situations. Effective under normal circumstances. Generally lacks planning ability. Inefficient.

19. LOYALTY: Company loyalty and an eagerness to tell others.

An extremely loyal employee, eager to express his enthusiasm to outsiders. A very loyal employee. Passive in his attitude toward company policies. Critical of all Company policies. Disloyal and traitorous.

Signature of approving officials: (A) _____

(B) _____

(C) _____

(D) _____

Designation

(do)

(do)

(do)

Highest possible score _____

Actual approved score _____

Percentage effectiveness _____

Actual

Total possible =

Signature of appraising official _____ Designation _____

II

JOB DESCRIPTION : CHIEF INDUSTRIAL ENGINEER

I. Committee Assignments :

- (i) Recruitment Committee—Member
- (ii) Permanent Jt. Rates Committee—Member

II. General Function :

As a staff member of Management the Chief Industrial Engineer is responsible for the direction, supervision and control of the industrial engineering activity of the Company in the Production and Maintenance Departments; and for the provision of functional advice or guidance as required in all industrial engineering matters.

III. Responsibilities And Authority :

Within the limits of his approved programme and Company policies and control procedures, the Chief Industrial Engineer is responsible for and has commensurate authority to accomplish the fulfilment of the duties set forth below. He may delegate to members of his Department appropriate portions of his responsibilities together with corresponding authority, but he may not delegate or relinquish his overall responsibility for results nor any portion of his accountability.

A. Operations and Activities :

1. Develop and recommend wage incentive plans for the Production and Maintenance personnel in order to improve the utilisation of labour, equipment and materials having regard to the quality requirements of products and services; formulate for approval amendments to such plans when warranted by changes in operating procedures, process or equipment; explain the plans to Works Departments when necessary and advise each Department of its rate of performance and pro-rata incentive earnings from day to day.
2. Conduct necessary studies to analyse work methods, and develop and recommend method improvement projects.
3. Advise and assist as required in the development of production planning schedules, production control systems and preventive maintenance plans.
4. Render such assistance as requested to outside consultants engaged by the Company or to Company officials in the conduct of job evaluation and development of a rationalised wage and bonus structure.
5. Through studies of the existing labour force, which is accepted to be excessive, recommend a revised standard force adequate to requirements and assist in securing the concurrence of Departmental Heads in a provisional labour force as a transitional step to the ultimate standard force.

6. Advise on the filling or non-filling of vacancies arising through natural wastage, transfers, or any other cause having regard to accepted manpower requirements.
7. Advise through the study of comparable data on the manning of new plant or equipment.
8. Re-arrange work locations; and instal new or improved work methods and procedures.
9. Prepare annual reports for submission to Management setting out the main activities of the Department during the year under review.

B. Organization :

1. Recommend changes in the basic structure of his Department normally employing approximately 70 people.

C. Personnel :

1. In respect of the personnel under him, provided the maximum basic salary of the post does not exceed Rs.....p.m. except where otherwise stated, the Chief Industrial Engineer will have the power to sanction in accordance with the rules of the Company
 - (a) promotions, transfers, grade increments, acting arrangements and allowances;
 - (b) earned leave, special leave, accident leave, leave without pay, half holidays to the ministerial staff, and advance payment of salary during furlough;
 - (c) continuance of an employee in his existing scale of pay, who has been permanently partially disabled as a result of accident whilst on duty and has been paid compensation in accordance with the rules and is still capable of doing his duties as efficiently as before the accident;
 - (d) acceptance of resignation, issue of a written warning, suspension, stoppage of grade increment, demotion or discharge of an employee;
 - (e) issue of certificates to employees on termination of service or in connection with insurance policies or applications for domicile.

IV. Relationships :

The Chief Industrial Engineer will observe and conduct the following relationships. He may delegate appropriate portions of such relationships to members of his Department together with proportionate authority for their proper conduct.

A. The General Superintendent

1. He is accountable to the General Superintendent for the fulfilment of his function, responsibilities and authority and relationships and for their proper interpretation,

2. He will relieve the General Superintendent of administrative details as outlined herein or as specified by the General Superintendent.

B. Other Executives

1. The General Manager

As directed or requested, he will provide information to the General Manager regarding the productivity of equipment, labour and material in various Works Departments.

2. The Chief Superintendents & Heads of Departments

As requested, he will advise the Chief Superintendents and Heads of Works Departments in matters within his province; but in doing so, he will not assume nor will he be delegated any function, responsibility, authority or relationship belonging to any other member of Management.

C. Industrial Engineering Consultants

He will conduct such relationships with Industrial Engineering Consultants engaged by the Company as may be assigned to him by Management.

Manpower Administration in the United States

John F. Hilliard

MANPOWER administration in the United States is based upon two principles : (1) central formulation of national manpower objectives and policies, and (2) decentralized action to achieve the objectives through application of the policies.

This approach to manpower administration is required by the pattern of American government and by the organization of social and economic institutions. The federal government obviously must provide leadership in establishing the national objectives and policies required for sound economic growth and for national security. In addition, it must perform certain operating manpower functions which can best be performed by the national government.

However, despite the importance of the manpower activities of the federal government, in the aggregate they represent only a small fraction of the complex and various activities by which American society creates the human skills and values which it requires. The vast majority of manpower activities in the United States are carried on by state and municipal governments, school districts, private industrial establishments, trade unions, professional groups and educational institutions. For example, practically all educational activity is conducted by state and local units of government and by private institutions. Many thousands of collective bargaining agreements constitute not only the basic structure of labor-management relations but in total one of the most important aspects of manpower administration.

These circumstances create special problems of administration. On the one hand, the government must establish objectives and act through its own organizational channels to assure that its manpower activities are conducted in a manner consistent with the national interest. On the

other hand, it must find ways of exercising leadership for the vast number and variety of groups and institutions concerned with manpower matters but over which the federal government has no control whatever.

It would be pleasant but incorrect to say that the government has been uniformly successful in both these aspects of manpower administration. Only after recurrent national emergencies did it become fully recognized that the development and effective utilization of manpower resources requires that the government organize itself properly to discharge this function. Moreover, unlike all other national resources, manpower is made up of people; manpower policies must therefore painstakingly pursue national objectives without infringing the rights of individuals.

Nor, in working with non-federal agencies and private groups has it always been easy to develop the capacity to think in terms of organization around ideas, not hierarchy; to provide information and understanding without indoctrination, guidance without dogmatism, leadership without control.

Manpower Administration in a democracy is indeed a special and tenuous kind of administration. And even though its performance in the United States falls far short of perfection, it is perhaps of interest to examine briefly the administrative principles by which it is carried on.

Organization

The primary responsibility within the Government for the establishment of national manpower objectives and policies is vested in the Office of Defense Mobilization, an organ of the Executive Office of the President. Created originally by Executive Order of the President to co-ordinate and direct economic mobilization during the Korean emergency, ODM was in 1953 established by statute as a permanent agency charged with the planning of both current and long-term measures to safeguard the national security. This responsibility covers the entire range of economic functions—production, materials, transportation, communications, financial policy and manpower. Each of these major functions is under the immediate direction of an Assistant Director

of ODM who establishes arrangements within the Government and with non-governmental agencies for the co-ordination and direction of his particular function. The several functions are in turn co-ordinated and directed by the Director. Thus the formulation of manpower objectives and policies is carried on within the context of other national policies for economic growth and national security.

Policies with respect to manpower are recognized as a national concern, not simply an internal function of an agency of the Government. Consequently an elaborate system has been developed for consulting on all major policy questions not only the departments and agencies of the government, but leaders from the fields of management, labor, education and the professions.

In addition to the advice of various expert consultants counsel is systematically sought on all important manpower matters, from the following formally constituted groups.

The Inter-Departmental Manpower Policy Committee

This Committee is made up of policy-level officials representing the Departments of Defense; Commerce; Labor; Health, Education and Welfare; Agriculture; and the Selective Service System; Civil Service Commission, and the Federal Civil Defense Administration. These are the principal agencies of the Government which either provide manpower services or whose functions make major claims upon the nation's manpower resources.

The National Labor-Management Manpower Policy Committee

This Committee consists of fourteen national leaders representing labor and management in equal numbers. In addition to the great industrial associations and labor organizations, representation is provided for agriculture, transportation and retail trade.

The Committee on Specialized Personnel

This Committee consists of outstanding authorities on manpower in the sciences, humanities and the professions. Its membership is drawn from industry, education, professional societies and government departments concerned with highly trained personnel.

Additionally, from time to time *ad hoc* committees are established to make detailed studies of special problems and to recommend appropriate solutions. These committees may be comprised of members of the Cabinet, senior staff of selected departments, or of outstanding citizens concerned with manpower problems. Thus, although the Director of ODM is authorized to coordinate and direct, on behalf of the President, the manpower activities of the government, he exercises this authority only after careful consultation with those who will be significantly affected by his actions.

Moreover, policy questions of exceptional importance are discussed with the Defense Mobilization Board (a statutory Board advisory to the Director of ODM and comprised of designated members of the Cabinet), with the Cabinet or with the National Security Council. The Director sits with the Cabinet, by invitation of the President, and is a statutory member of the National Security Council presided over by the President.

Central development of manpower objectives and policies in the United States is therefore the process by which the deliberate judgment of both governmental and non-governmental leaders is crystallized and formally promulgated. Once policy has been formulated with respect to a particular manpower problem, execution becomes the responsibility of the operating departments of the government.

The principal operating agencies are the Department of Labor, the government's operating arm in the civilian manpower field; the Department of Defense, which is charged with military manpower administration; and the Selective Service System which is responsible for reconciling civilian and military manpower requirements by inducting or deferring men based on considerations of the national health safety or interest.

In order to obtain maximum effectiveness, both the Department of Labor and the Department of Defense have appointed an Assistant Secretary for Manpower, who is responsible for directing and coordinating the manpower activities of his respective department. Since the Selective Service System has no function other than manpower, the Director personally directs manpower operations.

The other departments and agencies which are directly concerned with manpower have appointed sub-cabinet level officers to be responsible for coordinating the function within their agencies and for liaison with ODM. These officers make up the Inter-Departmental Manpower Policy Committee.

Perhaps an illustration of how this organizational arrangement works out a major problem would assist in clarifying it.

In 1953 the National Labor-Management Manpower Policy Committee, after careful study, concluded that the military reserve program had become obsolete—that in the event of national emergency a great many highly trained men would be immediately withdrawn from critically important civilian jobs for service in low priority military assignments. The Committee recommended that the ODM or the President establish a special group of experts to study the problem and to recommend the principles of a new reserve program.

This was done. In January 1954 a special Committee on Manpower Resources for National Security, under the chairmanship of the President of the American Management Association, submitted its comprehensive report and recommendations. Upon receiving the report the President requested the Director of ODM and the Secretary of Defense to devise a new program for submittal to the Congress.

In consultation with the several committees mentioned, a new National Reserve Plan was worked out during 1954 and approved by the National Security Council. In January 1955 it was transmitted to the Congress as a major element of the Administration's legislative program. This legislation was enacted by the Congress in mid-1955, and during the past year sweeping modifications in the organization and training of the reserve forces have been initiated.

Problems of less magnitude are, of course, dealt with more simply and expeditiously.

For example, the Director of ODM found that certain cities were experiencing severe unemployment in the midst of very high level employment throughout the country. To better utilize this unemployed manpower, develop skills and preserve morale, he directed that preferential treatment in the award of government procurement be given to communities

determined by the Secretary of Labor to be areas of substantial unemployment.

In implementation of this policy the following action program is being carried out on a continuing basis :

The Department of Labor periodically surveys labor market areas and certifies those which qualify for preferential procurement consideration. In addition, it provides special assistance to these areas in assessing their manpower skills and in determining what additional training is needed.

The Department of Commerce assists them in evaluating their plant facilities, natural resources and financial potential. Technical assistance and advice is provided on how to bid on government procurement, and on attracting new plants to the area.

The Small Business Administration provides special service to plants which qualify for small business loans, for expansion or modernization.

By direction of the Department of Defense, the Army, Navy and Air Force procurement agencies establish set-asides of certain portions of appropriate procurements for negotiation with firms in the certified areas. Surveys of facilities are made, and all plants able to perform on defense procurement are placed on bidder's lists and encouraged to bid on procurements for which they are qualified. Production clinics are held to acquaint firms in surplus labor areas with the products needed in quantity and with their production specifications. Prime contractors are encouraged to place sub-contracts in these areas.

The General Services Administration, the government's purchasing agent for civil supplies, channels its procurement into these areas to the extent possible under procurement statutes and good administrative practice.

Despite the fact that *no higher prices are paid* for contracts in these areas, they have through these measures been awarded many millions of dollars worth of procurement, which of course is translated into employment, thus helping to preserve and strengthen the nation's manpower potential.

A parallel ODM policy allows firms which locate or expand in these areas certain additional tax advantages,

provided the expansion is in a sector for which the government has established an "expansion goal".

These programs do not in themselves solve problems of serious unemployment. They do help; they express the government's concern; most important of all they stimulate the communities themselves to greater initiative in solving their own manpower problems.

Policy Development and Promulgation

All national manpower policies are evolved through the foregoing organization and consultative arrangements.

No policy can accurately be said to exist unless it is explicitly stated by one authorized to state it. The National Manpower Mobilization Policy issued by the President in 1951 enunciates the manpower principles and policies for meeting a national emergency. The Director of ODM issues supplementary policies from time to time. These are published in the Federal Register and are directive to all departments and agencies of the government. Additionally, each policy indicates the specific responsibilities of each department and agency in implementing the policy. Although these policies have no directive effect outside the federal government, they are widely used for their advisory value by state and local governments and by private groups and agencies.

Periodic evaluation is made of the extent to which the objectives of each policy are being achieved. At regular intervals reports are made to the President and to the Congress on problems and achievements in the manpower field. As necessary, new legislation is developed and, after clearance with the Executive Branch, is submitted to the Congress by the President.

Perhaps the manpower problems deemed of sufficient importance to warrant formal statements of national policy will be of interest. Those promulgated thus far as major additions to the National Manpower Mobilization Policy are :

1. Policy on Distribution of Government Procurement and Location of Government sponsored Plants in areas of substantial unemployment.

2. Policy on Training.
3. Policy on Development and Utilization of Scientists and Engineers.
4. Policy on non-discrimination because of Race, Creed or National Origin.
5. Policy on utilization of Foreign and Domestic workers in Agriculture.

Numerous subordinate policy statements have been issued, and the National Labor-Management Manpower Policy Committee has issued policy statements advising to labor and management on matters of industrial safety and labor mobility.

Participation by Non-governmental Agencies and Groups

As we have seen, the federal government itself has considerable resources for decentralized execution of certain kinds of manpower policies. The Department of Labor, which is the principal operating arm of the government in civilian manpower matters, has, in co-operation with the States, a net-work of some two thousand employment offices throughout the country. Additionally, it has other offices which sponsor craftsman training, collect industrial, occupational and employment statistics and administer various labor laws.

The Selective Service System has, in addition to a Headquarters in each state, over three thousand local citizen boards. The Department of Defense has civilian and military establishments in every state; the departments of Health, Education and Welfare, Agriculture and others have extensive field organizations carrying on operating programs at state and community levels.

These and other agencies have been brought together for mutual consultation and action at regional, state and local levels as they have in Washington.

Even so, these activities would in no sense be adequate to our national needs without the widespread interest in and action on manpower problems by non-governmental institutions. The manpower function, perhaps more than any other, is a responsibility of the people of the United States.

Fortunately they have widely recognized and assumed this responsibility.

Management groups, labor organizations, professional societies, foundations and universities have established various kinds of organizations to deal with aspects of manpower in which they are particularly interested or competent. For example, the engineering societies have, through their Engineers Joint Council, established an Engineering Manpower Commission with outstanding staff and officers. The scientific societies have established a comparable Scientific Manpower Commission. Many universities and private consulting firms have established research, information and action programs in the manpower field. The American Association for the Advancement of Science has for four years conducted a Scientific Manpower Section along with the Sections in the sciences themselves. Although these are among the most notable, they are only representative of the vast number of organizations which contribute to effective manpower administration.

Not the least important function of these private groups is to advise, and if necessary, to needle the government into taking the actions which only it can take. Reciprocally, the government frequently calls upon these groups for assistance in dealing with important manpower problems. For example, it was recognized that the solution to the shortage of scientists and engineers could not be solved by the government. It obviously required a broad coordinated program with the major responsibility assumed by non-governmental elements of the economy. The President therefore created a National Committee for the Development of Scientists and Engineers, under chairmanship of the President of Ohio State University. On behalf of the President, the Director of ODM invited the presidents of nineteen of the most important management, labor, and professional organizations in the country to serve on the Committee.

The mission given to the Committee was to develop an action program and carry it out through the institutional channels of the organizations represented on the Committee. Although the men invited are among the busiest in the United States, every single one of them accepted the invitation, and are now in the process of developing and carrying out a broad national program. The National Science Foundation

(a federal agency) provides necessary staff services and serves as the link between the Committee and the Executive Branch of government.

To facilitate the making of correct manpower decisions by private and public organizations throughout the country, the government conducts extensive research and keeps these organizations and the public informed on the critical facts relating to manpower. These include labor force growth by numbers and skills; developing patterns of education and training; developing requirements by occupation, industry and geographical distribution; growing and declining career opportunities; military manpower problems and opportunities.

It is through this complex interaction between governmental and non-governmental efforts that manpower administration reaches into every community and in fact, into almost every community institution, informing and guiding, but not dictating the decisions that in total determine the success or failure of national policies. Manpower administration is, in Alexander Leightons' term, not government but governance—the sum of the actions of those governing and those governed. That these actions may be freely taken and yet consistent with the national interest is the manpower objective to which we are committed.

Thoughts on Co-ordination

S. B. Bapat

CO-ORDINATION is, in some ways, the most important and the least well-understood of the elements in the theory and practice of Public Administration. Used in the right measure and in the right way it can make a great contribution to the success of any administrative task; and yet it is not uncommon to see some of the worst administrative sins being committed in the name of co-ordination and the very purpose for which it is invoked defeated.

In the course of some twenty-five years of public service the present writer has had more than his average share of working on or with co-ordinating agencies, and has seen examples of very good and very bad co-ordination. Reflecting upon that experience an attempt has been made in this article to set out a few hints for the guidance of those who may be on the threshold of an administrative career. If it helps some of them to avoid some of the mistakes which they may otherwise make, the writer's purpose will be amply served.

II

As soon as the size and complexity of any administrative task goes beyond the capacity of one man, the process of division of labour has necessarily to be adopted. The task has to be divided into sub-tasks—sometimes merely according to size, but much more often according to the nature of each sub-task—to be discharged by a number of separate individuals or groups of persons. With such division of labour the need for co-ordination arises in order to ensure that the divided labour of the different men or groups concerned produces the intended total result in the most efficient manner, *i.e.* with the least expenditure of time, money, labour and goodwill—the last being by no means the least important, since all public administration is ultimately a matter of human relations.

For a better understanding of the *how* and *why*, it is useful to think of co-ordination being of different kinds

each with the specific objectives to secure. There are for instance :

(1) *Co-ordination to prevent conflict* : The classic example is that of the railway engineer who wishes to build his railway line by the shortest route even if it cuts across the natural drainage channels and digs borrow-pits to get the earth to raise the line above the flood level and is, therefore, in conflict with the agricultural and public health engineers who object because obstruction to the natural drainage increases the risk of floods and the accumulation of the water in the borrow-pits provides good breeding-grounds for malarial mosquitoes. Some co-ordinating authority has to step in to resolve the conflict, usually by insisting on a much larger number of culverts than the railway engineer would otherwise like to provide and by forcing him to link up the borrow-pits so that accumulated water will flow away instead of stagnating.

(2) *Co-ordination to prevent competition* : When different departments are competing for the same resource whether it be physical, as in steel, cement, etc., or human, as in manpower, or financial, such as foreign exchange, some co-ordinating authority has to step in to determine priorities and make allocations.

(3) *Co-ordination to prevent duplication and waste* : A good example is furnished by the tendency of each ministry and department to put up its own machinery to collect statistics relating to its own particular subject. Co-ordination makes it possible to set up a more economical central machinery which can, in the same operation, collect the necessary data for a number of different departments. To take another example, if every military unit at Command Headquarters decides to set up its own maintenance and repair shops for its vehicles, there would be great duplication and waste which is easily avoided by the provision of a central maintenance and repair depot to service all vehicles in one place.

(4) *Co-ordination to prevent hiatus in space or in time* : The object is to ensure that the resources and services are available in the right quantity, at the right time, and in the right place. For increased production of food, for instance, it is necessary that the cultivator, the seed, the fertilizer and the labour are all available in the required quantities at the right time. The writer has seen some tragic blunders, where, because of poor co-ordination in distribution, the stock of

seed kept at headquarters for a particular operation in a famine-stricken area reached the cultivators long after the proper sowing season. The same sort of tragedy can be repeated on a very large scale if in the execution of a project to set up a major industrial plant there is a delay in the arrival of either the machinery or the raw materials. It is reported that some very expensive imported electronic communications equipment had to lie idle in a certain place in India for over a year because some one had forgotten to arrange for the training of the men needed to operate it.

(5) *Co-ordination to prevent differences in approach and treatment* : A good example is furnished by the need for co-ordination of personnel policies. There is a large number of different departments and offices each of which controls a number of public servants of different grades. They cannot obviously be allowed to go their own way in the fixing of the conditions of service such as remuneration, leave, pension, discipline, etc., and a uniform personnel policy has to be laid down for the Government as a whole.

III

Co-ordination is necessary not only at the stage of policy, but also at the stage of its execution. This fact has a bearing on the form of co-ordinating machinery found most suitable at different stages. Broadly speaking, co-ordination of policy is best done by a group or collegiate body; and the co-ordination of execution by a series of executives placed in command of the different parts and at different levels of the executing machinery. The highest co-ordinating body is the Cabinet, but it is obvious that the whole Cabinet cannot find time to consider and decide all policy questions even if they are of importance. We therefore get the next level of co-ordinating authority, that is the committees of the Cabinet some of which, like the Defence Committee, the Foreign Affairs Committee, the Economic Committee, are Standing Committees while others are created *ad hoc* for dealing with particular items. Subject to the policy laid down, the Minister in charge, advised by his Secretary and secretariat staff and Heads of Executive Departments, supplies the co-ordination needed for laying down the intra-departmental policies and their execution, in so far as they do not impinge on or conflict with the matters comprised in the portfolios of any of his colleagues,

An example may be cited here to illustrate this process. The vast population of India growing steadily needs increasing quantities of food. This can only be got by increasing domestic production or importing from outside. A decision to import means using up foreign exchange which may be needed even more for the import of machinery to increase the pace of industrialisation. To what extent the extra requirements of food should be met by imports and to what extent by increase in internal production becomes a matter of major policy affecting a number of different parts of the machinery, e.g., the Finance Ministry, the Commerce and Industry Ministry, Production Ministry, etc. This decision has therefore to be made by the Cabinet and in view of its importance it is only made after the matter has been fully considered by another very high-level co-ordinating body like the Planning Commission, and since Agriculture is a State subject and food production cannot be increased without fullest cooperation from the States, also by the National Development Council. A definite target for increasing food production having thus been set as a result of policy-co-ordination, it then becomes a matter for the Minister in charge of Food and Agriculture to co-ordinate the subsidiary policies and their execution. For this purpose he has to rely upon a number of different organizations, such as the Indian Council of Agricultural Research for the development and supply of improved seed, the Central Tractor Organization for bringing waste land into cultivation, and the Agricultural Departments in the States, the National Extension Service for popularising better agricultural implements and teaching improved methods of sowing and growing crops, and so on. Provision has also to be made for improvements in quantity of storage capacity, marketing facilities, etc. Each of these tasks, in its turn requires internal co-ordination in the Ministry as a whole and in the different organizations mentioned, either by a suitably formed co-ordinating group or committee or by individual executives.

It is precisely because co-ordination has thus to be provided for at each of a whole chain of levels from Cabinet down to the District Offices and below, the danger arises that there may be *too much* of it at too high a level. While it is important to prevent competition or conflict when they are *obviously likely* to arise, it is fatal and purpose-defeating to insist on a clearance at the co-ordination level merely

because a conflict or competition may *possibly* arise. Most of the unnecessary reviews and cross-references so rightly condemned by Mr. Appleby in his report arise because the Governmental machinery is prone easily to fall into a habit-pattern of indulging in co-ordination as an end in itself and not merely as means to an end.

IV

An important fact not always sufficiently realized is that even when the co-ordinating authority is a committee it is necessary to have some one person recognized as its leader, spokesman and ultimate arbiter. In theory, the Cabinet consists of Ministers who are all equal in status and importance and authority. Nevertheless, it has to have in the Prime Minister a leader, a *primus inter pares*, some one who in the case of unresolved differences has to give the final decision. The same applies at all lower levels of co-ordination whether it be an informal committee consisting of the Secretary of the Ministry and Joint Secretaries and heads of all departments under that Ministry, or a Board of Directors of a public enterprise. Any attempt to set up a co-ordinating committee for any purpose without a clearly recognised individual at his head, frequently results only in producing vexatious delays and uncertainty all round.

At the other end where the executive co-ordination is supplied by the individual at the head of an organisation or linked group of organizations, the danger is that just because he has the power to say what shall be done he may say it without fully considering the implications of his decision or explaining it to the men below him who may have held different views. Just as a co-ordinating committee can only function properly with a recognized head, a single co-ordinator can only function properly if he provides himself, at least informally, with a co-ordinating committee of his immediate colleagues and lieutenants at the next level or two, and gives them an opportunity of expressing their opinions and advice and of understanding the reasons for whatever final decision is taken.

V

Since every co-ordinating authority must obviously have also the ultimate authority to *decide* what is to be done,

it is important that effective arrangements should be made in the co-ordinating machinery to enable the co-ordinating authority to get full information in regard to matters which have a bearing on that decision. This, in turn, leads us to the importance of recognizing that co-ordination must be an *active process*. The co-ordinating authority must have the power not only to decide what has to be done but also to ensure that it is done and calling to account those whose performance is deficient. The latter is easy where the co-ordinating authority is vested in a single executive. Where the authority is vested in a committee, it is necessary to provide it with a staff agency to keep track of the implementation of the decisions made by the co-ordinating authority. The writer has known many instances in which the failure to provide such a staff agency resulted in the ultimate failure of the co-ordinating process itself.

VI

Summing up in every-day language, co-ordination is needed in all administrative tasks (a) to prevent the people concerned from going different ways, (b) to prevent them from treading on each other's toes, (c) to keep them marching in step, and (d) to see that the right men and the right things are available in the right quantity in the right place at the right time. Such co-ordination is needed not only to decide *what* is to be done and *how*, but also to see that it is done. As the volume and complexity of groups of tasks and sub-tasks to be co-ordinated increases, there is an increasing need for co-ordination by a group rather than by a single executive. Where the co-ordination is done by a group, the group must have a recognized head who can, if need be, decide for the group. But even where it is done by a single executive it must be done in consultation with his colleagues and lieutenants. In order to enable the group to see that its decisions are really carried out by all concerned, the group must be provided with eyes, ears and limbs in the form of a staff agency. Finally, co-ordination must be used only in the right doses, as a necessary lubricant, and not as a main fuel.

Editorial Notes

We are happy to be able to publish in this issue a digest of the recent report recorded by *Mr. Paul H. Appleby* after "re-examination of India's administrative system with special reference to administration of government's industrial and commercial enterprises". The report has already evoked wide interest in India and we are glad indeed to make the cream of it available to our foreign readers through the medium of our *Journal*. Though the principal relevance of the report is to the immediate Indian situation, there is a great deal in it which is of fundamental importance and value to any government anywhere in the world.

Mr. Hilliard's article on how the U.S. Government faced and organized itself for dealing with the manpower problem, is also of very topical interest in India where we have today a similar problem of finding the men to carry out the ambitious development plans, especially in technical fields.

The present issue of the *Journal* comes out on the eve of Xth International Congress of Administrative Sciences. The Indian Institute of Public Administration is sending a formal delegation consisting of its Director, Prof. V.K.N. Menon and Shri S.B. Bapat. We hope that the contacts made at the Congress will result in an increasing flow of interesting and valuable contributions from abroad.

—Editor

Indian Institute of Public Administration

Director's Report

(July—August 1956)

I. Amendment of the Rules of the Institute

A Special Meeting of the General Body of the Institute was held at 5 p.m. on Saturday, the 25th August, 1956, to consider a resolution proposing certain amendments to the Rules of the Institute. The resolution, which was brought forward by a Sub-Committee of the Executive Council of the Institute presided over by Shri N.V. Gadgil, was passed at the Special Meeting by a more than two-thirds majority. The major changes effected by the present amendment are as follows :

(1) A new class of "Associate Members" has been introduced to admit *bona fide* post-graduate students below the age of 25 and interested in the study of public administration. They will be charged a special membership fee of Rs. 12 per year, and would have no voice in the election of office-bearers or the management of the Institute's affairs.

(2) The composition and the tenure of the members of the Executive Council has been suitably altered to provide for retirement and replacement of members by instalments at intervals. This will make for greater firmness and continuity of policy in the management of the Institute's affairs. The net effects of the altered provisions will be :

- (a) The President will continue to be elected at the Annual General Meeting each year.
- (b) The Honorary Treasurer will hold office for two years and would be elected by the Executive Council, instead of by the General Body.
- (c) The Vice-Presidents will hold office for two years but the system will ensure annual retirement and replacement for half the number.
- (d) The elected members of the Executive Council will hold office for four years but the system will ensure retirement and replacement for half of the number at intervals of two years.
- (e) In order to facilitate such periodical retirement, the number of elected members is raised from 15 to 16.

(3) Provision has also been made for the establishment of Local Branches, apart from Regional Branches. It was felt that it would be desirable to have Local Branches, especially at the university centres, of which there may be more than one in some States.

II. New Director for the Institute

Prof. V.K.N. Menon, Professor of Political Science and Director of Institute of Public Administration, Patna University, took over as the Director of the Indian Institute of Public Administration with effect from the 1st August, 1956.

III. Xth International Congress of Administrative Sciences

The Institute has decided to send a two-man delegation to the Xth International Congress of Administrative Sciences, scheduled to commence in Madrid on the 3rd September, 1956. The delegation will consist of : Prof. V.K.N. Menon, Director, and Shri S. B. Bapat, Honorary Treasurer of the Institute, Editor of the *I.J.P.A.*, Establishment Officer, Government of India, and Director, Central Organization and Methods Division. Shri Bapat will also attend the Congress as the representative of the Government of India.

After the Madrid Congress, both Prof. Menon and Shri Bapat will visit the United States for a short period on the invitation of the Ford Foundation. The main object of the tour is to study the teaching of and research in public administration at the American Universities, as well as to observe new trends of administrative practices in the departments of the Federal and State Governments. On his way back to India, Prof. Menon will spend a short time in the U.K., France, Germany and Belgium to observe the working of institutes of public administration in these countries.

IV. Committee of Direction on Study Material and Research

The second meeting of the Committee of Direction on Study Material and Research was held on the 24th August, 1956. The Committee considered a tentative list of projects which might be taken up for purposes of study and research in the near future. It also considered the question of formulating long term plans in the matter. Work on some of the research projects is expected to start immediately.

V. Building Programme

The possession of the land for the Institute's buildings was acquired on the 21st May, 1956.

The Building Advisory Committee at its meeting held on the 23rd August, 1956, finalised the building plans as prepared by the architect, who will now prepare a lay-out model as well as models of each building.

VI. Membership

A special request was recently addressed to the State Governments to enrol themselves as Corporate Members. The Governments of Bihar, Rajasthan and U.P. have already joined, while Governments of Punjab, Andhra, Madhya Pradesh and Travancore-Cochin have expressed keen interest in becoming Corporate Members. The total membership of the Institute as on the 31st August, 1956, was : Ordinary Members, 620; and Corporate Members, 30

VII. Library and Information Services

The number of books and reports has increased to about 4,550. The third instalment of the "Author Catalogue" is under print. Indexing of important articles from periodicals and news items from daily papers has recently been started.

Under the Indo-U.S. Wheat Loan Educational Exchange Program, the Librarian and Reference Officer, Shri J.M. Kanitkar, has been awarded a training grant for six months for study of Library Science in the U.S.A. He is expected to proceed to the United States towards the close of September.

News from India and Abroad

I. INDIAN

A New Role for Finance Officers

In order to promote a spirit of mutual goodwill and understanding and a really close collaboration between officers of administrative Ministries and the officers of Expenditure Finance at every stage during the formation of schemes and proposals right from their inception, the Government of India have issued orders redesignating the Finance Ministry officers dealing with expenditure proposals from the administrative Ministries as 'Financial Adviser', 'Deputy Financial Adviser' and 'Assistant Financial Adviser'. The strength of the Expenditure Division has been augmented in order to provide a whole-time 'Deputy Financial Adviser' to every Ministry (barring one or two small Ministries who share them). These officers are given accommodation in the administrative Ministries to which they are attached and are brought into consultation at the earliest possible stage in the formulation of schemes which have financial implications. This eliminates unnecessary references of papers and files and also ensures that the proposals are formulated with due regard to all financial and other consultations which have to be taken into account. Such constant contact and close cooperation is producing greater mutual understanding and brings nearer the stage when administrative officers would themselves automatically apply sound financial standards and Finance Officers would be able to fully appreciate the administrative officers' needs and problems. This process will also assist in the rapid development of sufficient trained manpower to provide every Ministry with machinery for internal financial advice and control.

Transfer of Charge

Realizing that the state of efficiency of the organization is as valuable as cash and stores, the Central O & M Division has issued instructions to all central Ministries and Departments that whenever a Branch Officer/Section Officer hands/takes over a new charge, both the relieved and relieving officers should take stock of efficiency on the date of transfer by filling in the answers to a questionnaire especially designed for this purpose. The officer taking over now knows exactly what he is inheriting, good or bad. In the event of any fault coming subsequently to light, it becomes easier to pin-point responsibility, and also, where marked improvement takes place, to give credit where it is due.

Training of Newly Recruited Clerks

At the instance of the Central O & M Division, a number of central Ministries and Departments have recently started *internal* training classes for the benefit of newly recruited clerks. Some of them have also extended the facility to give short refresher courses to new promotees to the

higher clerical grades. The training provided consists of a short course extending from 10 to 15 days for 1-2 hours per day in which lectures, coupled with practical training and demonstration, are given on various topics.

"Cash Your Ideas" Scheme for Railwaymen

The Railway Board have embarked upon a new scheme of "Cash Your Ideas" under which all grades of staff, gazetted or non-gazetted, are encouraged to come forward with constructive ideas for improving the working of railways. Monetary rewards will be given to those who give useful suggestions acceptable to the Railway Board. The fact that an employee has made an acceptable suggestion, will be recorded in his personal file and would be a factor in his favour at the time of promotion to a higher post. The suggestions received will be scrutinized by the high-powered five-member Standing Screening Committee (Inventions and Suggestions).

Civil Jobs for Retired Army Officers

Under the retirement rules applicable to the Defence Forces, many able officers have to retire at the early age of 45 to 48. At this time, they are at the prime of their physical and mental powers, and family responsibilities, such as the education of children, are at their heaviest. And yet, after retirement, they cannot easily secure suitable employment in other walks of life.

In order to mitigate the hardship and also to ensure that the ability and experience of such officers are utilised to the fullest extent in the public interest, special machinery has been set up in the Government of India to facilitate their absorption in suitable civil employments in Ministries and Departments and public and private enterprises. Officers due to retire from the Defence Forces at an early age are screened by a high-power committee as well as by the Union Public Service Commission and those who come successfully through the screening process are offered to Ministries and Departments and the Planning Commission to fill suitable vacancies. A high-powered officer in Defence Headquarters has been placed on special duty to maintain the closest possible liaison with the Commission, Ministries and Departments, State Governments, and public and private enterprises.

Reorganization of the Rajasthan Secretariat

On the recommendation of a committee of Secretariat Officers, the Government of Rajasthan have announced a revised set-up of the Secretariat with effect from June 1, 1956. Under the new set-up, the number of clerks under the charge of a Superintendent has been reduced so that he can effectively supervise them, besides doing some noting and drafting work himself on more important cases. A new cadre of Assistants has been introduced who will submit papers direct to the Branch Officers instead of routing them through the Superintendent. These Assistants have been provided where the number of Upper Division dealing clerks exceeds five or where the nature of work is such that papers cannot be dealt with by an ordinary

U.D.C. The categories of Secretariat Officers have been limited to only three, viz., Secretaries, Deputy Secretaries and Assistant Secretaries.

Enhanced Financial Powers for the State Secretariat Administrative Departments

The Government of **Travancore-Cochin** have decided to delegate additional financial powers to the Secretariat Administrative Departments for the following purposes subject to budget provision : (i) sanction of purchases up to Rs. 25,000 ; (ii) non-recurring expenditure under 'contingencies' without limit; and (iii) creation of temporary non-gazetted posts for periods not exceeding six months, continuance beyond six months being sanctioned only with the concurrence of the Finance Department.

Larger Powers and Information Aides for District Collectors

The Government of **Travancore-Cochin** have decided to enhance substantially the powers and responsibilities of the District Collectors. They have been declared as Heads of the District Administrations. The Manuals of all Departments are accordingly being re-examined to incorporate the necessary changes.

With a view to keeping the Collectors in touch with the public opinion in the Districts in regard to the District Administration, an information section will be attached to them. The section will specially bring to their notice allegations made against the District Administration.

The State Government have also decided to push through vigorously the policy of delegation of greater powers to the Heads of Departments.

Organization and Methods Work in Punjab

Under the chairmanship of the Chief Secretary, the **Punjab** Government have set up a Committee of Administrative Secretaries which will look after the proper maintenance, operation and improvement of the administrative machine. The Committee has already held a number of meetings and made useful suggestions for disposal of work at various levels of authority.

Study Leave for State Officials

The **Mysore** Government have notified the grant of study leave concessions to their officials for training or study abroad in a number of subjects. These include, among others, public health, general administration, police administration and publicity.

Study of Public Administration at Osmania University

The **Osmania University** has started a two-year post-graduate diploma course and one year post-matriculate certificate course in Public Administration. The classes will be held in the evening. Sixty candidates, out of 200, who applied, have been selected for the two courses.

Seminar on Correctional Administration

A seminar on correctional administration was organized at Banaras under the auspices of the All India Crime Prevention Society from May 19 to 22, 1956. The Seminar recommended (1) preparation of comprehensive legislation based on the concept that a prisoner should be released as soon as he has been reformed and found fit to join society as a healthy member, and (2) the State should be responsible for sponsoring and developing after-care services which might be operated by Government and non-Government agencies or by both. These services should start immediately after the admission of the prisoner into jail and not when he is released.

Prison Reforms in U.P.

The U.P. Government have set up a Psychological Research and Help Section to evolve suitable psychological tests for different prisoners to enable the prison authorities to put each under proper correctional treatment. The Section is headed by a director and its staff includes an adviser, a consultant and two field psychologists. The State Government are also trying the scheme of open-air prison camps where convicts are given an opportunity to take part in development works.

II. FOREIGN

1. CANADA

Salary Increases for Civil Servants

As Civil Service salaries had fallen behind wage levels in private employment since the last general revision in December, 1953, the Canadian Government have announced a general upward revision with effect from April 1956. This revision is in compliance with the Government's policy that salary scales for the public service "should be adequate to attract and retain competent staff and should be comparable with those of good private employees." Increases are not uniform but vary according to the raises and benefits affecting each job classification during the period since the last salary range adjustments.

2. ITALY

Higher Council of Public Administration

By a decree issued by the Italian President, a Higher Council of Public Administration has been established as an advisory body to the Government in all matters of common interest relating to the organization, working and improvement of the Civil Services. This body, attached directly to the President, consists of 'ordinary' and 'extraordinary' members. The ordinary members are: one director generally from each ministry, four officials appointed by the President of the Council, the General Accountant of the State, two Councillors of State, two Councillors of the Court of Accounts, two Deputy State Attorneys-General, two university professors, and

fifteen Civil Servants (three each of the five classes) elected by a majority vote within each class. The 'extraordinary' members have a consultative status, viz. higher officials including the President of the National Institute for State Officials' Social Insurance and Assistance.

3. PAKISTAN

Reorganization of the Federal Government

The Government of Pakistan have set up a Federal Reorganization Committee to examine the impact of the Constitution on the functions and structure of the Federal Government with particular reference to the distribution of powers between the Centre and provinces and to further recommend changes necessary in the organization of the Federal Government.

4. UNITED KINGDOM

Reorganization of Local Government

A White Paper (Cmd. 9831) presented by the Minister of Housing and Local Government to the British Parliament in July 1956 outlines Government's new proposals for the reorganization of local government in England and Wales. It is proposed to set up two Local Government Commissions, one for England and the other for Wales. Their main task would be to make recommendations to the Minister in regard to the creation and extension of county boroughs, any necessary alterations in county boundaries, and the organization of local government in the conurbations. The first Commission will also go into the question of the reorganization of local authorities in Greater London. The Commissions will carry out such reviews as are found necessary.

At present, apart from reviews of county districts, there is no means of examining the organization of local government comprehensively over wide areas. For the creation of new county boroughs or the extension of existing ones, the only machinery available (except where the authorities concerned accept an extension by Order) is the promotion of a Private Bill. In practice, this has proved unsatisfactory, costly and often abortive. The White Paper points out that the new procedure which may be evolved as a result of the Commissions' recommendations should be designed to provide means for studying the problem comprehensively and for assessing the wider repercussions of proposed changes upon other authorities affected. It will enable local circumstances to be investigated and local opinion consulted. It will provide independent and informed guidance, while leaving to the Government and Parliament, the responsibility for ultimate decisions.

5. UNITED NATIONS

U.N. Salary Review Committee

The United Nations have set up a committee to undertake a comprehensive review of the United Nations' present system of salary, allowances and other benefits. The Committee consists of eleven experts from various

countries including two from Asia, namely Japan and India. A similar survey was conducted in 1949, and as a result of the experience gained, a fresh review has now been found necessary. The Committee is to report its findings and recommendations to the U. N. General Assembly at its eleventh session, scheduled to commence on the 11th November, 1956.

6. UNITED STATES

Changes in the Federal Retirement System

The Civil Service Retirement Act, 1930, was amended by Congress in July 1956. The important changes are : (1) an increase in employees' retirement deductions, (2) a more liberal formula for computing annuities, which will result in higher annuities for retiring employees and widows, (3) a lower reduction rate in annuities for retirement before the age of 60, (4) a minimum disability annuity, (5) higher children's annuities, (6) survivor annuities for dependent widowers, (7) refunds payable to separated employees with 20 or more years' service, and (8) no interest to accrue after December 31, 1956, on refunds to separated employees who have 5 or more years' civilian service. The amended provisions would come into force with effect from October 1, 1956.

Scope for "Juniors" to compete for Jobs in the New York State Service

The State of New York has broadened its programme for recruiting college graduates into State employment. "Juniors", i.e. students in the third year of the college, can take an examination designed to select 'eligibles' for many entrance-level professional and technical positions. Appointments would, however, be made effective only after the candidates' graduation from the college.

Study of Expenses on Job Transfers

The U.S. Civil Service Commission, through an interagency advisory committee, have undertaken a study of the loss of money to the Government employees arising from their transfer to different localities. If the study reveals that the present schedule of reimbursing employees for the expense of moving is insufficient, the Commission propose to introduce legislation to authorise additional reimbursement. At present, the Government are not paying for the following expenses which are usually incurred by the employees on their transfer : (i) cost of family meals and lodging while *en route* to the new station of duty; (ii) employee's expenses in new location prior to move of the family; and (iii) settling expenses in new location such as broker's fees, school registration or book fees and new driver's licence fees.

A recent survey by the American Management Association revealed that private industry in the U.S.A. currently reimburses for part or all of the above expenses in the majority of cases.

Digest of Reports

INDIA. CABINET SECRETARIAT. O. & M. DIVISION. RE-EXAMINATION OF INDIA'S ADMINISTRATIVE SYSTEM WITH SPECIAL REFERENCE TO ADMINISTRATION OF GOVERNMENT'S INDUSTRIAL AND COMMERCIAL ENTERPRISES; BY PAUL H. APPLEBY. *Delhi, Manager of Publications, Aug. 1956. 59p.*

The recommendations made by Mr. Appleby in his report may be, for purposes of analysis, divided into two parts : (I) general observations which apply both to traditional forms of administration and public enterprises, and (II) specific proposals in regard to Government's Industrial and Commercial Enterprises.

At the beginning of his report, Mr. Appleby has especially pointed out : "Here many vigorous and harsh things will be said. They do not reflect any general, adverse judgment about what is going on here. They are not criticisms which should be publicly made or publicly discussed. They constitute an intra-organizational discussion of essentially technical sort.For those not experienced in and responsibly associated with governmental administration their effect may be largely contrary to their intent."

The important recommendations made by Mr. Appleby are given below, in his own words :

I. General Observations

(a) *The Indian Administrative System*

1. The great achievements of recent years have been made beyond the capacity of the Indian administrative system. By working key personnel very excessive hours, by giving special attention to a very disproportionate number of transactions, by stubborn persistence of programmatic officials in the face of frustration, great results have been achieved. There is an early limit, however, to what may be done in this fashion. It puts too much reliance on a very small number of individuals, whereas for a much larger achievement reliance must be on a greatly improved organizational performance of systematic character.

2. A general fault of the Indian administrative process exists in the practice of seeking agreement on everything by everybody before anything is done. Worse, the practice requires that these agreements cover not only general objectives, general allocations of funds, general personnel arrangements, and the fixing of general lines of responsibility, but also cover specific applications of these general determinations in a continuing and heavy flow. There is much too much sharing of responsibility for action before the fact, and too little review in appropriate terms focussing on accomplishment after the fact.

By a curious proliferation of the conceptions of parliamentary responsibility and Cabinet responsibility and by reliance on excessive

procedures of cross-reference there has been built an extraordinary evasion of individual responsibility and a system whereby everybody is responsible for everything before anything is done.

3. Granted prior agreement in principle on kind and dimension of program to be undertaken and the amount of money to be made available for the purpose, specific decisions incident to effectuation of purpose in India are reviewed by too many persons in too many organs of the government in too detailed, too repetitive and too negative terms. Perhaps nowhere else have so many systematic barriers been erected to prevent the accomplishment of that which it has been determined should be done.

4. Near the heart of the problem is a failure to realize and understand that the government of India—Centre, State, municipal and rural—will and must grow greatly and rapidly in size, and that this growth compels changes in procedures of a sort directly related to size of government. Where here the thinking is big about social objectives, the thinking is small about the government whose great increase in size is essential to the effectuation of the great purposes.

It is of the highest importance here that all leaders, in party, parliament and private life understand that the government must grow rapidly in size—in numbers employed and in annual costs—and that this growth will be greater than, not less than, the estimate it is thought acceptable to publish. The phenomenon is one of a geometrical progression.

(b) Administrative Requirements of Bigger Government

Once it is fully realized that the rapid enlargement of government is a basic essential, the necessities may be listed as follows :

1. Provide structurally for new levels of coordination of larger and larger areas of interrelated undertakings, below the level of Cabinet and below the level of Minister.

2. Cultivate growth capacity by structural and procedural arrangements.

3. Generally reorient the present practices of review from a preponderantly negative concern for precedent and rupee-pinching to a positive one of expeditious action in pursuit of agreed-upon objectives.

4. Great enlargement in recruitment and training plans for generalist administrator and technical-administrator personnel.

(c) Structural and Procedural Changes Required to Promote Potentiality for Expansion and to Provide for New Levels of Coordination of Larger Areas of Related Administrations :

1. There are great variations in the capacity of various parts of a government to expand. Hierarchical structures should be determined with considerations of future growth in mind. In general, a large and effective organization can accept and conduct effectively a new assignment requiring additional structural arrangements and additional personnel more rapidly

than a wholly new organization; however, it is less certain that this organization will perform its new duties well. There will also be some tendency for the new function to take second place in an old organization. Novelty of function and urgency of its need may dictate the establishment of a new organization for the purpose. The choice almost certainly will be more costly, in terms of money, than the cost that would accrue by giving the assignment to an old organization. But in the larger sense of social need, this larger cost may represent true economy. In time, the total consequence, if uncorrected, will certainly be a total proliferation of special organizations within the government of such numbers and variety as to be unmanageable by government. It follows that in every marginal judgment, choice of expansion method should be in favour of expanding a going organization. It further follows that through the years to come there should be persistent movement of consolidation of the special organizations according to some schemes of "coherent missions".

2. Of major importance is the achievement of a structure which is in fact manageable by the respective ministers and by the Cabinet as a body. This means that there must be extensive delegation, an elevation of review procedures that will concentrate on concerns really important at high levels, and the use of new subordinate coordinating and expediter mechanisms. To effect the higher elevation necessary to the management of more and more complex business, a legislative body, a chief executive, a minister or any subordinate official must exercise organizational skill and achieve a mental reorientation. It is only by development of competence below, and exercise of skill in utilization of subordinate abilities, that high responsibilities may be upheld.

The sequel to delegation, of course, is the development of techniques for review and control of that which is delegated. Delegation is not abdication of responsibility; it is an enlargement of it. Inquiries into what has been done and what is being done, on a sampling basis, replace examination of everything proposed to be done. Field trips and letters of inquiry and complaints provide supplemental insights.

3. Considerations of future growth require a widening and deepening of hierarchies, and in higher levels a progressive diminution in the importance of professional and technical qualifications and distinctions. More basic is the fact that room must be made for the insertion into hierarchy of new levels to take care of new functions and to receive more and more delegations of responsibility. What is needed, in other words, is an improvement in hierarchies. Improvement in the amount of work is one objective; better quality of work is another; expansibility is another; capacity to delegate is still another.

4. An official of high stature should be designated in the Cabinet Secretariat as Programme Expediter or Plan Expediter, given strong Cabinet support and provided with sufficient staff of maturity and status to enable him to serve as procedure reformer and structural adviser.

(d) Review Methods and Procedures

1. The drive to expand and to fulfil Plan objectives is extraordinarily confined to programmatic agencies, while the long established practices

of review in Finance, in Home Affairs, in the activities of the Comptroller and Auditor-General, in Parliamentary committees and in too frequent references to ministers and cabinets, are definitely hostile to governmental expansion and program achievement. The result is general delay, frustration and confusion.

2. Far too many proposed actions are reviewed, and the review is far too often in a useless, petty, and frustrating fashion. All proposed transactions which come up for review are referred downward to very subordinate staff who have no experience of or knowledge of the kind of project being dealt with. This excessive concern for precedent encourages in subordinates a negative and timid attitude.

3. The present method of expenditures control conceals a serious inadequacy in the development of the government's budget. The expenditures control is used to far too great an extent as a substitute for good budgeting. The budget is being made all year long for the year rapidly marching toward its close. "Schemes" or projects of various kinds are presented to the Finance Ministry throughout the year, some for early clearance and apportionment of funds, some as a hostage to later budgets. These schemes are usually not much more than policy ideas; they are almost never actual administrative and expenditure projections ready for serious consideration as such. The ministries, knowing that Finance will reduce their request, are given to loose and extravagant estimates of cost. The whole system establishes a pattern of poor cost estimates and poor budgeting which, in turn, are justifications for detailed financial intervention. Detailed expenditure control after the fact of general determination has the effect of delaying, frustrating and even nullifying decisions made earlier at the highest levels. It has the character of a vicious circle in which exclusive reliance on Finance, and in less degree of Home Affairs, has prevented the program ministries from developing a competence in the translation of technical schemes into sound and convincing budgetary and expenditure proposals.

4. The only systematic attention given to expenditures is the negative attention of a review designed to effect economy. Far too little and too imprecise planning is done to make expenditures actually equate with program. To remedy this situation requires close, continuing study of expenditures, careful and frequently modified projection of expenditures, and changes in action indicated by those projections. The Ministry of Finance needs to shift more of its attention to better budgeting and away from detailed expenditures control after budgeting.

5. The government needs to fix positive responsibilities in reviewing agencies now exercising principally negative influences. What is needed is the development of financial and budgetary competence within the parent ministries and under the managing directors of public enterprises, in personnel responsible to them. An adequate office for business management should be set up in every ministry and in every attached operating organization which would develop and maintain accounts necessary to administrative control, formulate valid and defensible budget estimates, and keep expenditures within the limits of appropriations. Each such office should be clothed with prestige, reporting directly to the Secretary or to the Managing Director as the case may be, and competently equipped with personnel. Out of such

functions the office will be enabled to develop departmental and ministerial budgets of a quality requiring a minimum of critical review and permitting the Finance Ministry to make its decisions in terms of its special competence—the availability of funds altogether in view of the total demand upon funds. Departmental budgets would then be subject to reduction almost exclusively in terms of competing needs of other ministries and agencies. Under the reformed system, the Finance Ministry could properly make large lump sum allocations of the funds appropriated by Parliament instead of making innumerable small releases. Varying percentages, relatively small, of funds appropriated to the ministries could be kept in reserve.

6. All review functions are high-level functions and must be performed in high-level terms. Review should be limited in volume to what a relatively small staff of high-calibre qualifications can handle. Reviewing agencies should have a higher proportion of high-ranking, high-paid officials than do operating agencies.

7. An official of stature should be appointed in the Ministry of Finance to serve as a specialist to the Expenditure Secretary. His main function would be accelerate decision making in the Finance Ministry.

8. Auditing has two purposes : (i) to insure propriety in the sense of quite precise adherence to established practices and standards in monetary transactions, and (2) to provide an independent appraisal of the assets and liabilities of the organization which can certify as to the over-all financial status of the undertaking.

There is at present, a greatly exaggerated notion of the importance of auditing. Audit by the Comptroller and Auditor-General, in its present form, increases the timidity of public servants at all levels, making them unwilling to take responsibility for decisions, forcing decisions to be made by a slow and cumbersome process of reference and conference in which every body finally shares dimly in the making of every decision, not enough gets done and what gets done is done too slowly.

The Comptroller and Auditor-General's function is not really a very important one. Auditors don't know, and can't be expected to know, very much about good administration; their prestige is highest with others who don't know much about administration. What auditors know is auditing—which is not administration; it is a necessary but highly pedestrian function with a narrow perspective and very limited usefulness. Any deputy secretary knows vastly more about significant problems in his ministry than the entire staff of the Comptroller and Auditor-General can discover by auditing. In close observation of various governments during many years the writer has never known of a really important insight produced by governmental comptrollers. Yet here the Comptroller and Auditor-General's reports presume to speak as an authority on administration in general. They even presume to speak on the programmatic values of the various undertakings. Parliamentary members take such things seriously as providing a sensible basis for discussing important problems without even securing advice from the ministerial officials who know vastly more about them. Formal reports on finance are made without consulting a single Finance official.

Further, the function of auditing is a strictly negative one. Parliament's most important concern should be with the positive attainment of

program objectives the legislative body has espoused. Instead of helping Parliament arrive at general judgments about the ministries and attached organizations and a general appraisal of the way in which social objectives are being attained, audit reports focus Parliamentary attention on little things. This demeans Parliament.

(e) Recruitment and Training

1. There is here, and will long be, a great shortage of personnel sufficiently competent to fill the hundreds and hundreds of key positions necessary to effective government pursuing the goal of a Welfare State speedily attained. The needs will be great in both the private and the public sectors, but the public needs will be central and primary, limiting the capacity of the government to grow, and therefore limiting its capacity to achieve. There is too much unwillingness to recruit in sufficient numbers, even for present needs, and too little realization that future needs of far more serious dimensions cannot be met in the future except by additional recruitment and training now.

2. The absurd limitation of selection of a new appointee to a single individual certified by the Public Service Commission in the mistaken belief that it strengthens the merit system, really hampers proper selection by ignoring differences in individuals important to different kinds of positions, and reduces the probability that a needed person can be immediately engaged. There is need for a shift to a system of certification of eligibility which produces a maximum number of persons for the many kinds of positions needing to be filled, in lists determined well in advance of needs from which appointments may be made with much more discretion and expedition than now is possible. The maintenance of standing register of eligibles would make appointment expeditious. The persons capable of serving well at high levels are rare birds; they must be sought wherever they may be found, and developed by various means.

3. The existing pattern of job-titles and the rigidities of class, service, cadre, and grade pay differentials are all confining and, therefore, hostile to rapid growth. There is need for competition for promotion and flexibility in the making of promotions instead of protecting "rights" of small numbers. Cadre plans now being approved should be early enlarged so as more adequately to meet the needs.

4. Full use should be made of sub-professionals. Fully trained professionals waste their time doing things persons with much less training could do as well.

5. There are, at present, too definite and inadequate notions about entrance salaries so that many qualified persons are not attracted to the public service. The present attitudes toward pay for public service as an aspect of the eternal search for small savings is a serious deterrent to the dynamic and truly efficient government which is a crucially imperative here. The time consumed in the present laborious methods of doing business entails a waste vastly greater than the savings of the present emphasis on small "economies". Morale of public personnel is deteriorating before repeated Parliamentary proposals to reduce pay. In the long run India will get in administration only what she pays for and what she provides scope for.

In their own interest, the people must be willing to pay what adequate and successful government will cost.

II

Administration of State Industrial and Commercial Enterprises

1. The success of the State Industrial and Commercial enterprises depends upon rapid decision-making, rapid action. There is special validity particularly in India and particularly just now, in the application of the conception of autonomy to the government's industrial and commercial undertakings. To change administrative practices in this single area is easier than to effect a thorough-going, government-wide change. True autonomy is out of the question and not seriously proposed by any informed person. In democracy, government can always and should always be able to intervene in any matter really important to the government. As it is, there is no danger whatever that grants of power to Indian enterprises will be too great. On the contrary, the danger is that the government and Parliament will be much too fearful and will grant insufficient "autonomy". In the early days of a new enterprise the responsible Minister will need to give much more careful and relatively detailed attention to an enterprise than he will when its functioning is well established.

2. Up to now the tendency seems to have been to establish more separate enterprises than appears wise. In the long run governmental and Parliamentary responsibilities will be best served when the total number of enterprises separately managed will be relatively small so that the government can deal principally with consolidated reports, leaving more detailed scrutiny to those instances in which the consolidated reports seem to indicate the need. Under a theory of "coherent missions" every opportunity to substitute enlargement and consolidation for the establishment of a new and separate enterprise should be seized.

3. There is no magic in a board of directors, and none in the word "corporation" or "company". The earliest, and everywhere highly successful public enterprises have been the postal services, which are quite uniformly structured along the lines of what here would be called executive ministries. The decision whether to establish a corporation or a company or an executive ministry is not a fundamental and determining one. Solutions appropriate here must be developed by Indians, in terms of the Indian context and very much in terms of the Indian urgency.

4. Ablest men available should be found for the posts of Managing Directors. It must not, however, be forgotten that the ablest general administrators and those most attuned to public responsibility now will generally, but not always, be civil servants. There is a mistaken belief that it is, in principle, necessary or desirable to include private persons on boards of directors. Officials representing ministries concerned who are appointed to the boards too often are without real authority to speak for their ministries. The boards should be chiefly coordinating mechanisms.

Membership on boards should be determined with these two primary functions in mind. In general, board membership should be confined to the Managing Director and (in the case of large enterprises) his two principal deputies, and to high officials in other enterprises or in ministries normally having related, supervising or coordinating interests. In effect, the boards

should be organs of governmental coordination, the members definitely empowered to speak for their respective ministries and capable of judging which matters should, in spite of delegation, be referred to higher authority. The appointment of private persons should be generally avoided. They should be put in third levels of the corporate hierarchies as Shop and Plant Managers. Where desirable persons with special qualifications should be used as special consultants or experts.

5. Boards themselves must delegate greatly to the Managing Director, and he to his subordinates. Functions reserved by the boards should be primarily — and particularly once the organization has got under way—two : (1) the development of reports as bases for making intelligent over-all appraisals of the effectiveness of the organization; and (2) the making of decisions which in their nature require consideration of the functions and responsibilities of other enterprises or ministries. It is often forgotten here that nothing happens in action toward the attainment of the objectives of the enterprises except as persons actively engaged in producing their product are freed to act with confidence and expedition. A pattern of large delegation at the top would encourage delegation at every level below. In the long run, much important work and many decisions must be delegated by the Boards to levels far from the top hierarchial posts. In number, at least 90 per cent. of the decisions necessary to the conduct of a large enterprise should be made below the level of the Managing Director.

6. The government must have a policy about remuneration in public enterprises; there must be some capacity to relate remuneration patterns so that they may be generally explained and defended. Yet the governmental policy concerning remuneration may be flexible, and it may be experimental. When a private company is taken over by the government, and the top salaries previously paid in that company have been substantially higher than that of top civil servants, it is likely to lead only to failure if an effort is made to impose the present, normal governmental pay scales on this enterprise. Pay differentials should be thought of wholly as instruments of effectiveness. The bonus plans partly introduced here in the government printing plants and in the railways afford single, but insufficient, examples of the effective use of incentives in association with intelligent managerial study. And beyond financial incentives, of course, more attention should be given here to the incentive to earn public approbation.

7. Auditing in the case of industrial and commercial enterprises operated by the government should be done by private auditing firms. The Comptroller and Auditor-General is otherwise oriented and too independent, and therefore too little enabled to adjust his approach to many different kinds of operations.

8. Much domestic purchasing of most of the enterprises should be done independently. A sufficient safeguard would be a requirement that all purchases made other than from low bidders would be given detailed justification to the head of directors.

III

(a) *Relations between Administration and Parliament*

1. At every higher level in a hierarchial structure decisions tend to be more and more general and have more and more to do with manner and

direction of action rather than with precise control of specific actions. The fundamental role of legislatures as representatives of the people is to choose leadership which is to be responsible for the more precise and specific decisions and the management of the process by which such decisions are made, and the choice of direction in which the leadership is to be confined.

2. In its approach to the consideration of particular controls, the performance of Parliament is as lacking as it is distinguished in dealing with major policy. It greatly aggravates an already excessive tendency in the bureaucracy to avoid taking responsibility for decisions and going ahead to get things done. This negative approach to administration has retarded action and made achievement difficult.

3. (i) The members of Parliament greatly exaggerate the importance of the function of the Comptroller and Auditor-General, and pay far too much attention to his reports. Audit reports focus Parliamentary attention on little things. Parliament's most important concerns should be with the positive attainment of program objectives the legislative body has espoused.

(ii) There is among members of Parliament too much general and vague fear that its responsibilities are not being preserved.

(iii) The Parliament often exhibits a prejudice, anomalous in India in 1956, for reliance on the judgment of business men. The worst failures in the U.S.A. government have been business and industrial leaders put into responsible public posts.

(iv) Parliament here seems strangely inclined to make too ready concessions to some of the self-interest demands of small but influential business interests, and to enforce corresponding changes in Government's decisions.

(v) Parliament's endorsement of the formerly small and narrow approach of the Public Service Commission to its own functions in the mistaken belief that this strengthens the merit system undermines the responsibility of the ministries and thereby undermines the responsibility of Parliament. Parliament should be concerned with the identification of much larger groups of eligibles and providing for selection for particular posts by the employing agency.

(vi) Parliament's reluctance to delegate its powers in detail, as it is essential to do if Parliamentary powers are to be important and positive, discourages Ministers from delegating their powers, discourages Secretaries from delegating their powers, and Managing Directors from delegating their powers.

4. Unless this Parliament accommodates itself to the needs for large action and elevates its own approach to affairs to the appropriate high level of general direction, India's future will be precarious. Parliament needs to become sensitive to the necessity of operating on a high level. In respect of administration it almost uniformly functions on a low level. The simplest way in which Parliament could reverse its influence on administration from a negative one to a positive one would be for it to stop looking for things to criticise and to begin looking for things to praise. What is needed here is a heightened recognition of the utter dependence of Parliament upon Administration for any actual achievement of its own purposes.

(b) *Planning Commission*

1. Planning is an important part of administrative policy-making,

and not something done in the political and administrative vacuum so usually the resort of professional planners.

2. The Commission should avoid developing too large and complex an organization of its own, attempting to become "expert" in program fields or in its own general character, and becoming involved in a type of program review and control. Its administrative role should continue to be a general one with heavy policy content and otherwise for the most part influential in the making of helpful general administrative arrangements.

3. The Commission should continue to make, or have to be made, such evaluating studies as may seem to be required, but such studies should be made by persons experienced in public program administration and not by those who are only qualified academically.

RAJASTHAN ADMINISTRATIVE ENQUIRY COMMITTEE, 1955.

Jaipur, Government of Rajasthan, 1956. iii, 66p.

The Committee was appointed in 1955 by the Rajasthan Government under the chairmanship of the Chief Secretary to examine all aspects of administration with a view to successfully meeting the increased demands which the Second Five Year Plan would make on administration. The major recommendations of the Committee are as follows :

1. *Tehsils and Collectorates* : Every tehsil must have at least one Naib-Tehsildar under the Tehsildar. The present staff in collectorates is quite inadequate to carry out the enormous responsibilities which may devolve upon them in the next few years. Six additional posts of collectors should be created and the ministerial staff augmented.

At the moment the Tehsildar besides doing his own work looks after the development works also. These two functions should be separated.

2. *National Extension Service* : Separate posts of Block Development Officers should be created and manned by internal deputation from the existing cadres both of Tehsildars and Extension Officers, and even from the cadres of the Rajasthan Administrative Service and the Indian Administrative Service, if required.
3. *Technical Departments and their Administration* : Having accepted the principle that the Secretariat should exclusively retain the right of policy formation and general direction of administration, it follows that there is no justification whatever for general administrators to act as Heads of Technical Departments. Wherever such position exists, technical men may be forthwith recruited.
4. *Planning and Development Department* : (i) In view of the vast magnitude of Community Development work, the Departments of Agriculture, Irrigation, Animal Husbandry, Co-operation and Social Welfare should be transferred to another whole-time Secretary to Government. The Public Relations Directorate should be transferred to the Planning Department. (ii) While annual plans should be specific and entail definite commitments, plans for later years within a five-year period should be in more

general terms so as to avoid undue rigidity in implementation. (iii) Systematic evaluation should become a normal administrative practice in all branches of public activity in the State. In place of an Assistant Secretary proposed by the Planning Department, a Research Officer should be posted with the Planning Commission, who should, besides making a periodic survey of the lay-out of the State budget, will also act as Secretary to the Evaluation Organisation.

5. *Secretariat* : (i) The strength of staff at the Secretariat should be increased by approximately 10% on an *ad hoc* basis. (ii) In a department like the Finance, elaborate noting by the subordinate staff should be discouraged. The Office Superintendent should not merely be a supervisor but also do noting on the files. Factual noting on technical aspects should be recorded by the subordinate personnel but financial scrutiny of proposals should take place at officers' level. (iii) The size of the sections should be small. A section should not ordinarily have more than 5 dealing Assistants. (iv) The post of Assistant Secretary provides the first disposing stage in the Secretariat. Unlike the Government of India, an Office Superintendent in the State Secretariat is not a disposing Officer. In order to relieve the Secretary and the Deputy Secretary of routine papers, considerable delegation of powers will have to be made to the Assistant Secretary. One of the principal steps of improving the work at the Secretariat would be to post Junior I. A. S. and R. A. S. Officers for short periods. Such postings will bring some fresh air into the Secretariat and provide adequate personnel at the first stage of examination of office files. Therefore from among the present Assistant Secretaries those considered suitable should be selected into the R. A. S. (v) The Assistant Secretary should be properly trained to ensure that he is fully equipped to see that the file going up has been adequately scrutinised from the financial angle. During the Second Plan period two temporary posts of Assistant Secretaries may be created for the purpose of training in the Finance Department. The training should cover a period of four months and approximately 30 Assistant Secretaries should be trained during the next five years in the Finance Department. (vi) The work of some Secretariat Officers, specially those in Transport, Revenue and Relief and Rehabilitation Departments, can be made much lighter if the tendency to hear appeals at the Secretariat level is vigorously checked. There should be an immediate re-examination of the matter of hearing appeals by the Law Department which should see that as far as possible the Board of Revenue or Commissions are more and more utilised for appellate work and that the Secretariat is divested of this unnecessary distraction.
6. *Recruitment, Training, etc.* : (i) In case a separate cadre of Block Development Officers to be staffed by internal deputation is constituted then provision must be made for promotion of the certain percentage of B. D. O.s to the R. A. S. The issue of special recruitment to the R. T. S. cadre should be examined as the programmes of development, consolidation of holdings and colonisation are likely to make great demands on this cadre of officers. (ii) A Revenue Training School, something on the lines of a Police

Training College, should be set up to train *Qanungos*, *Naib Tehsildars* and special recruits to the R.A.S. For promotion to the post of a Sub-Divisional Officer, a period of attachment of the R.A.S. Officers with the Settlement Commissioner or with the Director of Consolidation should be made obligatory. (iii) The Officers at the higher level should not order transfer, without prior consultation with the officers concerned on or from which transfer is proposed. In regard to the developmental programmes the officers should not be removed frequently from their posts without special reasons.

7. *Local Government Service*: The Government should seriously consider the creation of a Local Government Service. At present the personnel standards among the different local bodies are uneven and no constant effort is made by Local authorities as a whole to secure the best persons for their services and to make the best use of them. There should be a cadre or different cadres of Local Government employees. These cadres will include engineers, public health officers, medical practitioners and general administrators. Furthermore, if the service under Local Bodies is to secure the right type of entrants, its service conditions must be sufficiently attractive.

ESTIMATES COMMITTEE, 31st Report (Ministry of Railways—Finance and Accounts). *New Delhi, Lok Sabha Secretariat, 1956, iii, 59p.*

The Report describes very briefly the functions and the organisational set-up of the Railway Accounts Department and then examines in detail the present purpose and methods of control over expenditure, the general pattern of the accounts structure and costing in workshops. The major recommendations made in these matters, in short, are :

(1) The Purpose and Methods of Financial Control

- (a) The procedure adopted for the control of expenditure on the Railways is unsatisfactory and requires improvement. In respect of revenue expenditure, the scrutiny of the money spent and control are at present limited to seeing that the budget allotments are not exceeded, that the expenditure has been properly sanctioned and that the canons of financial propriety are observed. Control is, therefore, exercised largely with a view to fulfilling the requirements of Appropriation Audit.

The expenditure actually incurred is not correlated to performance and scrutiny and control are not exercised so as to see whether an increase or decrease in expenditure is correspondingly reflected in the related performance. The services rendered by the Railways, namely transport, have a commercial value, and are measurable in quantitative terms. Moreover, the Railways earn a revenue directly related to the quantum of the services. The Railway expenditure should therefore be controlled with reference to performance also. Managerial control would reveal wastage and inefficiency and also help in flexible adjustment of expenditure, almost simultaneously, to changes in performance. Managerial control should be adopted not as a substitute for but as a supplement to the existing system of Appropriation Audit

which will have to continue so long as the present form of Budget continues.

- (b) The first requirement of an efficient system of managerial control is a satisfactory system for analysing and compiling the various statistics of performance. A correlation of the expenditure with performance is the next step. A mere comparison of the total expenses under any particular head either of the various units for the same period or of the same unit for different periods serves no useful purpose, since these expenses are affected by many varying factors. All expenditure should, as far as possible, be expressed in terms of cost per unit of service.
- (c) The present statistics comparing expenditure with performance are insufficient for an effective review since they are compiled for the Zonal Railways as a whole. Therefore, unless attention is given to performance at all levels including the lowest level, review at the highest level by itself would be practically useless.

(2) Refinement of Accounting Techniques

- (a) Before the Railways are faced with competition from other modes of transport they ought to set about reorganising the techniques of their accounting and to adapt the modern refinements to the extent suitable to their conditions of working. A procedure should be worked out by an experienced Accounts Officer to carry out the necessary refinements in accounting techniques. This would not involve a conflict with the present requirements of Appropriation Audit. The changes necessitated by application of modern Cost Accounting ideas can well be undertaken along with the present forms of accounting until such time as it may be found to be possible to modify the latter also.
- (b) There is no reason why information regarding anticipations of performance should not find a place in the Explanatory Memoranda even now, when such information is utilised to a large extent in framing budget. The periods covered in the Explanatory Memoranda should be increased so that the trends of expenditure over a longer period under the Demands and their Sub-Heads are readily available for comparison purposes. The number of years preceding the year under review to be covered in the Memorandum, should be at least five.

(3) Offices of the Financial Adviser and Chief Accounts Officer

The wisdom of placing the entire burden of compiling the accounts, framing the budget and rendering financial advice on a single office is open to doubt. The functions at present attached to the office of the Financial Adviser and Chief Accounts Officer should be bifurcated, and there should be two separate Heads of Departments; the Chief Accounts Officer being concerned only with the compilation of accounts and for effecting the necessary check on the receipts and expenditure, etc. and the Financial Adviser with the prompt compilation of budget, making available financial advice to administration, close control and review of expenditure, and the application of improved techniques and introduction of changes in forms and procedure pertaining to accounting and finance, etc.

(4) Costing in Workshop

- (a) The costs of operation in certain workshops are less than elsewhere. Advantage of this lower cost of production should be taken by undertaking work for other Zonal Railways in these workshops, wherever possible.
- (b) There is at present no uniformity in the statistics regarding performance maintained in the various workshops, and full use is not being made of the information that is available. A detailed comparative examination of the statistics can lead to effective economies and increased efficiency. In addition to the present budgetary appropriation control, expenditure in workshops should also in future be subjected regularly to performance control, and the results for each of the major workshops indicated in the various individual Administration Reports. A general survey should also be included in the Railway Board's Annual Report.
- (c) The extent to which the installation of additional machinery has increased the output, efficiency and capacity of the particular machinery as well as of the workshop as a whole should be constantly watched. The results of such a comparison should also be indicated in the various Administration Reports for each of the workshops.

ESTIMATES COMMITTEE, 24th Report (Ministry of Railways—Staff Matters). *New Delhi, Lok Sabha Secretariat. 1956, vi, 87p.*

The Indian Railways constitute the largest nationalised undertaking in the country. The Report indicates that the total number of staff employed on the 31st March, 1955 was 9,80,207, distributed as follows : (i) Class I & II : 2,616, (ii) Class III : 3,52,428, and (iii) Class IV : 6,25,163.

The main recommendations of the Committee are summarised below :

(1) Recruitment

- (a) The Railways should plan in advance their requirements of the staff for at least six months and should furnish the same to the Railway Service Commissions at fixed intervals leaving sufficient margin of time for the Commissions to plan their selections. The Railway Service Commissions should hold combined tests for a number of categories of Railway services, which would save considerable time and energy and expedite the process of recruitment.
- (b) Psychological tests should gradually be introduced to find out the aptitude of candidates for different types of jobs. This will prevent the possibility of putting square pegs in round holes and improve the tone of administration. The present method of recruiting certain categories of staff such as Office Clerks and Typists only by written test and without an interview should be discontinued. An interview of the candidates to form an idea of the personality and capacity to express themselves is very much necessary. For jobs relating to welfare of labour and educational and social activities, those who have had training or experience in the field should be given due consideration.

- (c) The procedure followed by the Railway Service Commissions in selecting candidates for the written tests and interviews should be given wide publicity and the results of examinations should be freely published in the newspapers. The various stages leading to final selection of candidates against a post should be made clear in the application form. The Railway Ministry should include a detailed review of the activities of the Railway Service Commissions in their Annual Reports.
- (d) (i) The existing Railway Service Commissions with one Chairman and one Member are not adequate to deal with the expected volume of work of recruitment efficiently and expeditiously. The Railway Ministry should take steps to set up one Railway Service Commission for each Zone. The additional expenditure to be incurred on the Railway Service Commissions will be more than compensated by increased efficiency, avoidance of delay in supply of staff to the Railways and the increased facilities afforded to the candidates in each Zone. (ii) The Headquarters of the Commission need not necessarily be situated at the Headquarters of the Railway Zone. It would be a distinct advantage from the point of view of economy and facilities to the candidates, to locate the Headquarters at a comparatively smaller and more centrally situated place. (iii) The posts of the Secretary of each of the Commissions should be a senior scale post with a tenure of three years and Personnel Officers of the Railway concerned should be considered for it. The question of direct recruitment to the posts should also be examined.
- (e) The number of women workers on the Railways is small. The reasons for wide fluctuations in the number of women employed should be examined and necessary steps taken to recruit more women to jobs which by the nature of their duties are more suited to them, such as those in the catering department. In the advertisements for such jobs, it should be clearly stated that women are eligible to apply.
- (f) Greater publicity should be given by advertisements in local papers, notices at stations, etc., to recruitment to different categories of Class IV staff (including trade apprentices), than is being done hitherto.

(2) Training

- (a) The activities at the Staff College, Baroda, should be extended to provide for the training of probationary officers, systematic refresher courses for junior officers and special courses for the senior officers. The syllabi of the training courses should also be improved. The duration of instruction for each item should also be fixed after a careful scrutiny. Study tours by officers of one Zone to other Zones should be encouraged to promote imbibing of fresh ideas and better understanding of the working of railway administration in different zones.

- (b) The existing training facilities for initial training and refresher courses are inadequate. A Committee of educationists should carefully assess the requirements of training facilities for each Railway and make recommendations on the question of opening of new training schools and the standardisation of the syllabi of training and refresher courses for different categories of staff.
- (c) Training facilities should exist for all categories of workers including unskilled ones. The possibility of encouraging private institutions for giving particular kind of training, required for the different categories of Railway employees should be explored by the Railway Ministry.
- (d) Literacy in regional language should be insisted on at the time of recruitment of Class IV staff. For the illiterate members of this Class already in service, a scheme of paying lump sum literacy bonus for the acquisition of literacy and of providing simple and interesting literature may be formulated.
- (e) In order to overcome the shortage of trained personnel, the question of giving extension of service to experienced personnel as also of re-employing the retired hands should be considered by the Railway Ministry.

(3) Promotion Policy

- (a) The Railways should forecast the number of people required for different posts to make the employees realise that opportunities are open to them for furthering their prospects, if they equip themselves properly. Further, the avenues of promotion in various Departments should be clearly laid down and made known to the staff. The seniority lists of staff should be expeditiously finalised and circulated amongst them, so that they can form an idea about their prospects of promotion. Promotion policy should also be closely coordinated with suitable training.
- (b) Definite standards of efficiency which must be attained by the junior scale officers before being promoted to the senior scale, should be laid down. Junior scale posts should really be the training ground for future holders of senior scale and administrative posts. For first promotion to senior scale, junior scale officers should be interviewed by a Board of three Heads of Departments.
- (c) Promotion of Class II officers could not be given regularly to the prescribed quota prior to 1952-53. Arrear promotions should be brought up to the quota reserved. Unlike some other Government Departments, the Railways do not make any direct recruitment to Class II service. This undoubtedly gives better opportunities to the Class III employees to show their merit and secure promotion to gazetted posts. But there is considerable difference in the nature of work handled by Class III and Class II staff. It

is, therefore, necessary to lay down sufficiently high standards for selection to Class II service. If Class III staff of the requisite standards are not available, direct recruitment to Class II service may be considered.

- (d) Confirmation of staff officiating against temporary posts is often considerably delayed. All cases of officers and staff officiating in the higher posts for more than five years should be reviewed periodically, and orders of confirmation issued expeditiously.

(4) Efficiency of Staff

- (a) Each Railway should evolve the system of piecework rating and bonuses in its workshops and the co-operation of the National Federation of Indian Railwaymen should be sought in this matter to implement the scheme as early as possible.
- (b) (i) The Staff Suggestions Scheme may be made more popular amongst the staff by giving it a wide publicity in regional languages. Staff in the lowest categories should also be encouraged to offer suggestions. (ii) Promotion and increase in salary, stipends to children for study, and stipends to the inventors for further study in India and abroad may yield useful results. (iii) Cases of exceptional and outstanding work should receive special recognition by payments of honoraria, letters of appreciation and medals. (iv) A committee of two or three General Managers should be asked to evolve a suitable scheme to determine the criteria for the award of the proposed 'Efficiency Shield'.
- (c) Concrete steps should be taken by the Railway Ministry to enlist the cooperation of the Employees' Unions at all levels, especially to popularise the Plan and arouse enthusiasm of the staff for its proper implementation. Similarly, public co-operation should be enlisted for this purpose by publicity and propaganda.
- (d) A proper machinery of Job-analysis should be introduced on each Railway. The question of setting up a Job-analysis wing in the Efficiency Bureau in the Railway Board's Office to direct and control the Job-analysis machinery on the individual Railways may also be examined.

(5) Discipline

- (a) The problem of the Railway employees approaching outside agencies for assistance, has two aspects, namely : (i) employees feel that through normal channel, there is never any possibility of getting justice; and (ii) employees bring to bear outside influence on matters, which should be left to be settled through normal channels. Both these aspects should be dispassionately studied and a solution found out to ensure that the sense of security and justice prevails among the services. Further, justice should not

merely be done, but should appear to be done. The following measures are recommended in this connection :

- (i) There should be no delay in the disposal of representations; a time-limit should be laid down during which the representations should be disposed of at all levels;
 - (ii) Whatever is due to a man should be given as early as possible; and
 - (iii) The Railway Minister, Members of the Railway Board, General Managers and Heads of Departments should set apart some time to give a hearing to persons who might like to represent their cases and to draw attention to matters which might not otherwise reach them.
- (b) A proper scheme should be chalked out for educating the employees in matters of discipline through lectures and by publishing literature on the subject in regional languages. The stress should be more on creating a frame of mind that will, voluntarily follow the recognised rules of conduct than on enforcing such rules by creating a fear-complex.
 - (c) The disciplinary procedure prescribed should be simplified to ensure that the disciplinary action is taken promptly against the culprit. Definite time-limit should be laid down for the various steps to be followed in regard to the procedure of departmental enquiries and these should be rigidly adhered to.
 - (d) There is a great necessity for cordial relations between the executive and the staff on the Railway which employ the largest force under one management. This can be achieved by a proper appreciation of human values, by mutual understanding and closer contacts. The Railway Officers on tour should contact all the staff desirous of meeting them, study their problems and grievances in a sympathetic manner and guide them as to what is reasonable and what is unreasonable in their demands. The Railway Employees' Unions can help in improving discipline by bringing well-authenticated grievances, after a careful check, to the notice of the administration for early action.

(6) Welfare

Officers and supervisory staff in charge of personnel work should be given training in social welfare, industrial psychology and allied subjects.

(7) Other Allied Matters

- (a) The drive which was initiated by the Railway Board for the expeditious settlement of dues of retired employees and liquidating old cases should be further intensified with a view to ensuring that all the old cases are quickly liquidated. Proper machinery should

be set up on all the Railways to see that such abnormal delays in payments do not occur in future. A reasonable and practicable limit for the settlement of the dues should be fixed and rigidly adhered to.

- (b) The Railway Board may consider whether there is any substance in the grievance expressed in several quarters that certain areas do not find adequate representation in the Office of the Railway Board, and if it is so, the Board may also consider as to how this can be rectified without endangering the principle of merit. The feasibility of taking staff for the lower categories in the Board's Office from the individual Railways instead by direct recruitment may be examined.

ESTIMATES COMMITTEE, 25th Report (Ministry of Railways-Passenger Amenities). *New Delhi, Lok Sabha Secretariat, 1956, vi, 77p.*

The Report contains a number of recommendations for improving the quality and content of passenger amenities and for their provision on a systematic and organised basis.

The main recommendations of administrative interest are as follows :

- (a) Amenities provided by the Railways to their passengers are of vital importance in the scheme of national development and education. The facilities and the treatment afforded by the Railways to the third class passengers should be taken as a rough index of the progress of the country towards the Socialist Pattern of Society. The creation of the post of a Deputy General Manager (Amenities) on each Railway should be welcomed. In order to give this officer full-time work he may be entrusted with some of the following items of work : (1) complaints; (2) public relations; (3) publicity; (4) staff welfare; and (5) consultative committees. He should keep close co-ordination with the Divisional/District authorities and watch the progress to ensure that the programme of amenities is carried out in time.
- (b) The Railways have already taken a number of measures to improve the travel conditions of third class passengers. There is considerable scope for expanding these facilities with a view to relieving the present state of overcrowding. Each Railway should compile and publish a gazetteer, which should contain all the relevant information about each station on the particular Railway. This information should also indicate the additional amenities proposed to be provided at each station during the Second Five Year Plan.
- (c) Top priority should be given to the question of providing basic amenities at small stations and that a definite programme should be chalked out to ensure that the provision of these basic amenities is completed during the next three years. A classification of

stations for purposes of passenger amenities similar to that one proposed by the North-Eastern Railway should be evolved in all Railways. In the programme of expenditure to be chalked out, after providing the basic amenities at all the stations, preference should be given to stations in the order of their classification.

- (d) While the efforts made by the Railway Ministry to associate the representatives of the people in the matter of provision of amenities are commendable, the task allotted to the Zonal Passenger Amenities Committee is too heavy. There is considerable scope for decentralisation here. There should be a Regional/Divisional Passenger Amenities Committee for each Region/Division and it is this body, which should indicate the priority to be allotted in providing passenger amenities at stations within that Region/Division.
- (e) The arrangement of having separate telephonic and verbal enquiry counters as in the Western Railway should be extended to all other Railways. Suitable steps should be taken to keep the enquiry offices posted up-to-date in order to disseminate correct information to the public. The Passenger Guides should be provided with a table and a chair which should be kept at a convenient place in the Passenger Hall and a suitable legend "Passenger Guide" indicated prominently on the table. The employees selected for this post should have a special aptitude for this type of work and they should be recruited from amongst people with training in social services.
- (f)
 - (i) Departmental catering on the Southern and the Eastern Railways has been running at a loss, though losses on the Southern Railway are on the decline. Only one station has been chosen on the North-Eastern Railway for introduction of such catering. A few more stations on this Railway should be chosen for the purpose. Wherever possible departmental catering should be introduced and the big contracts should be broken up. Departmental catering on the Railways should be run on a "no profit and no loss" basis on the lines recommended by the Alagesa Committee. The Railway Administration should keep a very close watch and exercise effective supervision over the departmental catering centres.
 - (ii) The Indian Railway Delegation to the Soviet and other European Railways suggested that a catering company composed of the Railways and private enterprise with the former having a controlling interest should be formed. They also recommended that such a catering company may be tried in the first instance in a limited area. This experiment should be given a trial in one or two Divisions.

Book Reviews

RESEARCH FRONTIERS IN POLITICS AND GOVERNMENT
—*Brookings Lectures 1955* ; By **STEPHEN K. BAILEY**, etc. Washington, The Brookings Institution, 1955. vii, 240p. \$2.75.

The volume under notice is the second one in the series of lectures inaugurated at the Brookings Institution in 1954 to promote research in the social sciences. The first volume 'Economics and Public Policy' examined the relations of economics to questions of public policy. The present one discusses trends in recent research in different aspects of politics and government. Thus Stephen K. Bailey discusses, in the first lecture, new research frontiers of interest to legislators and administrators. Herbert A. Simon and Robert A. Dahl follow with an analysis of recent advances in organisation theory in its relation to federal government, and the place of hierarchy, democracy and bargaining in politics and economics. The relevance of the game theory to the analysis of political strategy is the subject-matter of Richard C. Snyder's lecture. Alfred de Grazia and Malcolm Moos next examine the results of recent research on voters and elections in general, on the one hand, and the nominating process on the other. The party system is the subject-matter of a lecture by Paul T. David. The last topic is a more general one, like the first, than the others, and David B. Truman here gives an account of the impact on political science of what he calls the recent revolution in the behavioural sciences.

Graham Wallas, early in this century, once remarked how the former interest among political thinkers in political institutions had diminished in the course of time because the institutions they had analysed had been in terms of a simple and narrow view of human nature, and how, therefore, a more correct view of the latter, especially in the light of psychology, was first called for. Wallas himself did, undoubtedly, analyse institutions too later; but the major effect of his writings, as of many others like him, was to influence the analysis of 'human nature in politics' in terms of the psychology, the irrational psychology of individuals as the more important work to be done. David B. Truman refers to this controversy in his lecture, though from his own point of view one significance of these lectures appears to be the way in which the balance is being restored among political scientists, in favour of the importance of the institutional approach, though indeed based on the most recent psychological advances.

As one read through the illuminating, even exhilarating, pages of this volume one was also reminded how, at least in India, so much of political science teaching in the Universities is behind current research. Reliance is almost wholly on textbooks, and very few of these in use have availed themselves of the results of research published in periodicals even at the time of their writings. Unless textbooks use this material in their preparation, and are supplemented by the results of more recent research in scientific journals of politics and allied sciences, the teaching and learning are bound to be unsatisfactory. Burke once remarked that most men are fifty years behind in their politics; it is almost equally true of most textbook writers and teachers of political science.

—V.K.N. Menon

PRIVATE MEMBERS' BILLS IN THE BRITISH PARLIAMENT;
By P.A. BROMHEAD, London, Routledge and Kegan Paul, 1956. xi, 216p. 25s.

So pre-occupied is the British Parliament with the disposal of Government Bills and other Government business that legislative proposals sponsored by private members receive a raw deal. In the volume under review, Mr. P.A. Bromhead makes a historical and analytical examination of the constitutional status of the private member, his rights of sponsoring legislation *vis-a-vis* the Government, the conditions under which they can be exercised and the subjects on which he may conveniently sponsor legislation. Mr. Bromhead is willing to tilt a lance in defence of the cause, but is constrained to the conclusion that the right of the private member, though theoretically justifiable and indisputable, is irreconcilable with the Executive's demand for Parliament's time and attention for getting through urgent public business. His analysis indicates, what is evident to every student of parliamentary procedure and parliament's work, that the private members' Bills are fast becoming, if they have not already become, an anachronism and that the time spent on their consideration constitutes an incursion into Parliament's time which can more advantageously be devoted to government business. The private member's enthusiasm for winning legislative spurs by bringing up his own Bills can, Mr. Bromhead shows, be profitably and effectively expended in participating in debates on Government's Bills and other measures and in moulding them along the right lines.

In countries with a parliamentary system after the British model and with a well developed party system, this deterioration in attention devoted by the legislature to business brought forward by the private member has inevitably supervened, as recent developments in Canada, Australia, New Zealand and India amply demonstrate. The Standing Orders and the Rules of Procedure of the Indian Parliament, for example, provide for discussion of private members' Bills and resolutions. Half a day on the Friday of every week when Parliament is sitting, is appropriated for that purpose. While every attempt is made to keep the allocation intact and private members sponsoring Bills zealously defend their rights in that regard, the time allotted to the consideration of such business is hardly adequate to facilitate anything like exhaustive or illuminative debates on the issues raised. Resolutions after a perfunctory debate are precipitately put to the vote, while Bills which cannot in any event concern matters involving encroachment into the sphere of the Executive's responsibility for policy or administration, except in rare cases, are hardly able to negotiate their passage into the Statute Book. If in a Parliament's whole lifetime one or two such Bills successfully reach their destination, it would be a feather in their sponsors' caps. The one private member's Bill of any significance that has successfully performed this arduous journey in the life of the present Parliament in India is that sponsored by Mr. Feroze Gandhi for protecting newspapers' reporting of parliamentary proceedings. A decidedly supporting factor in this case, which is true generally of all similar cases, was the Government's acceptance of the principle of the proposed measure.

Mr. Bromhead feels that subjects susceptible of being well handled through private members' Bills are those "with which the political parties as such are not concerned". These would generally include measures for the social and moral amelioration of the people, such as control of alcoholic

liquor, matters relating to social behaviour in which sections of public opinion hold strong convictions, imposition of restrictions on the press and cinema in the interest of public morality, protection of wild game and prevention of cruelty to animals, etc. Even in such matters the State's responsibility for regulation and control is increasingly being recognised, resulting in a corresponding limitation of the area of private members' initiative. Nevertheless, where initiative is forthcoming, even if the Bill is not finally adopted, the opportunity afforded by even the inconclusive debates thereon and ventilation of diverse points of view which would otherwise have no occasion to be heard on the floor of Parliament and the educative value they inhere, is a factor which justifies the time spent on them. It might pave the way for an official Bill on the same matter subsequently.

The basic issue involved is, therefore, this, whether the severe restrictions on private members' Bills that become imperative in the inexorable circumstances under which Parliament functions vitiate the democratic principle? Here the experience of those countries which have adopted the British system indicates that "in the conditions of the modern world, governmental responsibility is so all-embracing that it is really not suitable for individual members to propose Bills at all". In so far as he endeavours to plough a lonely furrow, the private member's position in this respect is as invidious as that of the independent or unattached member. On the other side is, however, the pertinent consideration mentioned by Mr. Bromhead that "the continued provision of opportunities for the introduction of private members' Bills and the debates on these bills without the normal operation of party discipline, provides a valuable counter-weight to the increase of Government's authority on all normal occasions. It does much to preserve the variety and types of activity which is so good for the vitality of Parliament."

Mr. Bromhead has made an interesting and informative survey of a somewhat unusual and scarcely discussed aspect of the functioning of parliamentary system, and though it does not yield encouraging results from the standpoint of the private member, it reveals how an apparently undemocratic development is really an inescapable concomitant of the British parliamentary system and of similar systems elsewhere.

—C.V.H. Rao

TREASURY CONTROL—The Co-ordination of Financial and Economic Policy in Great Britain; By SAMUEL H. BEER, London, Oxford University Press, 1956. vii, 138p., 15s.

In this valuable addition to the extremely limited literature on the subject, Prof. Beer of Harvard University gives an exhaustive and revealing analysis of the role of the British Treasury as the principal co-ordinator of the financial and economic policies of the government and explains how the choice of the co-ordinating agency and the pattern and methods of co-ordination have largely been determined by the stage of political, economic and organizational development. The present nature and form of Treasury control, we are told, is a logical product of 'Cabinet democracy' and 'Civil Service democracy' and is a major safeguard against the misuse of wide powers left to the executive—much wider than those enjoyed by the American

executive. In other words, it provides "a complement or balance on the administrative plane to the powerful position of the executive under the Cabinet government."

The British Treasury—the Department of Departments—enjoys enormous powers. This great power is, in Prof. Beer's opinion, in the nature of power of *influence* rather than power of *command* or direction. Though the Treasury can withhold sanction of funds or approval of new proposals, but this control is essentially negative—it is just the application of government policy to decide what a Department *may* do. The Chancellor of the Exchequer has the exclusive responsibility for finding money to meet government expenditure, but he cannot, being himself a part of the plural chief executive, direct another minister. There is, accordingly, a natural tendency to agreement at both the ministerial and secretariat levels, and the final official decisions result from a balance of pressures on which the Treasury has exerted no more force than any other Department. However, due to the unique position occupied by the Chancellor in the Cabinet, "the tendency to agreement produces not simply compromise but decisions shaped around the Treasury view." The Treasury power is further reinforced by the high professional standards of the Civil Service, tradition and history, and the representation granted to it on various committees. On the whole, the author implicitly agrees, but expressly denies, that the ultimate source of Treasury power is its authority to withhold sanction of funds.

As the chief co-ordinator of financial policy the function of the Treasury is two-fold : to seek balance in programmes of expenditure in accordance with the priorities set by government policies; and to prevent extravagance and enforce economy. These objectives are realized through an elaborate procedure of meticulous financial control—the requirement of prior approval, criticism of new legislation or policy, annual review of estimates, transfer of appropriated funds between sub-heads, sanction of supplementary grants, etc. Recently there has been a manifest trend towards greater delegation to departments upon whom has always rested the final responsibility for good financial administration. The role of the Treasury is increasingly becoming one of standard-setting and ensuring that standards of prudent house-keeping are observed.

According to the author, the British system of financial approval and review has two distinct advantages over its American counterpart. Firstly, it has the necessary flexibility to allow the executive to correct normal discrepancies in the estimation of expenditure and thus to effect economies. Secondly, it enables the executive to incur liabilities in anticipation of parliamentary appropriations, even in the absence of a statute embodying financial sanctions. Thus, "the British executive has a wider freedom of manoeuvre which may greatly facilitate making of policy and new programmes."

In the realm of economic policy, though the Treasury does not exercise that complete control which it has traditionally enjoyed over financial matters, it has come to assume wider responsibilities here too, especially after 1947. The emergence of the Treasury as the centre for economic planning and co-ordination has come about after a long and varied experience with other co-ordinating devices (such as the Lord President's Co-ordinating

Committee for Home Affairs, the general system of inter-departmental committees, and the committee of the permanent heads of the main economic departments) and in response to the need for a clear and consistent, overall economic policy. Being concerned with home and foreign finance and establishment matters and having a regular contact with all other departments, the Treasury has naturally tended to become the focal point for co-ordinating economic policies. But the more important reason for it perhaps lies in the existing nature of economic planning and administrative decision-making. The co-ordination of economic policy involves a continual balancing of numerous forces. Economic policy is not static; it is being made and altered from time to time. Factors other than economic have also to be taken into account. The administrator today can hardly expect to achieve economic rationality, nor can he afford to wait for it. He lives in a world of reality; he must therefore assess *all* probabilities and come to a quick decision. The application of econometrics to planning may lead to greater economic rationality but that would require centralisation of authority to the extent which would be self-defeating. Prof. Beer feels that in the context of the current British economic philosophy and the present stage of economic planning, the Treasury is the best-equipped agency to co-ordinate economic policy. The present method and manner of co-ordination will, however, not be suitable for "quantitative" planning which would greatly reduce the importance of finance.

The methods of economic co-ordination are not as settled as in the case of financial policy, and vary with time and circumstance. The style of co-ordination is nonetheless broadly similar. The initiative here also lies with the Departments; the Treasury only tries to guide and instruct the initiative on the right lines by relating the details of a particular negotiation to the wider context of government policies.

Prof. Beer's conclusions would be of special interest to those who would like to see dilution of the traditional influence of Finance to allow greater financial freedom to individual departments and agencies. Unless a high degree of financial competence and integrity is developed within each Department, there is a great danger that, in under-developed countries, such financial delegation may lead to frittering away of funds badly needed for development. That does not, however, obviate the necessity of reforming the present methods and procedures of financial approval and control in order to meet the requirements of development plans. Though Prof. Beer does not directly deal with this basic question, he rightly observes that ultimately "a certain balance needs to be found between an excessive departmentalism which impairs the coherence of decisions and an excessive centralisation which hampers execution."

—B. S. Narula

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The Man of Action in Modern Society*

Sir Basil Embry

DO you ever get up in the morning full of ideas, enthusiasm, energy, determined to straighten out your difficulties, improve your lot, make progress in your work, business, or profession and then find as the day goes on that the means are so indirect, the opposition so vague and numerous, and the people who oppose you so elusive, that in the evening your enthusiasm has gone, and you go to bed saying, 'What is the use??' You probably do; and in my opinion this is a most dangerous, insidious, and crippling feature in our national life today—this modern disease of over-organisation and complication that leads to eventual inertia and stagnation.

Enemies of Decision

Public administration and life in general have become infinitely more complicated in the last twenty years, and decision on any matter—whether it be what colour you should paint your front door, or whether we shall have a system of trunk roads in England—has come to depend more and more upon complicated co-ordination between innumerable bodies. Policy decisions have repercussions on other policy, and so the factors for coming to a decision multiply until it becomes increasingly difficult to decide anything at all. There is a Chinese proverb—and I believe a genuine one—which says: 'He who considers everything decides nothing'. I am not so innocent as to imagine that a great deal of this ever-growing complication is not necessary, but my case is that the

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complications are increasing faster than the need for them, and certainly faster than the resulting benefits and efficiency.

Much of this complication is brought about by the craze to try to make rules and regulations to cover every contingency in life; and trying to do this is a bad thing in itself, and it has the effect of hamstringing us because every rule that we make, and I believe we must have made more rules in the last twenty years than in all the history of our previous legislation, has increased the difficulties of public administration and has made it necessary to increase the size of administrative staffs, which in turn has increased the complications and slowed down the giving of decisions and action.

These difficulties have worked in two different ways on two different sorts of people. The first of these sorts of people are those who want to get things done. For them, the rules have imposed a greater and greater brake on their efficiency and initiative. The second set of people are those who have various reasons for not wanting to get things done. For them, the situation we are creating has provided an almost endless series of excuses into which they can disappear as a visitor into Hampton Court maze, to rotate endlessly about the problem without ever coming nearer to it, though often crossing their own tracks.

To look at these things objectively and to deplore the gradual clogging of our national life with the endless committee work and the undergrowth of co-ordinating officials is not to advocate any form of autocracy. The totalitarian regimes which have thrown the world into such misery over the last thirty years have sufficiently discredited this system of government to make one recoil in horror from anything that savours of dictatorship—whether it be of a man, or a body of men. True democracy (as I see it) rests, and always will rest, on the rule of law framed by a law-making body freely elected. These factors are immutable. But how far can this system stretch its protecting arms round us before it stifles us? What we are getting at present, and we can see it in every aspect of our daily life, is too much direction, too much co-ordination, too much consideration, too many minds working on one simple subject, too many opinions chasing one poor harried conclusion. In a phrase: too much talk and too little action. It seems there always has to be a precedent

for everything we do, and if there is not a precedent, nothing can be done.

These are harsh words, but I mean them to be. We may fail by stupidity, fail by ignorance, by laziness, or by error. But let us never fail because we have not had the courage to make a mistake. It is because we are frightened to make a mistake that so often leads to us doing nothing. Let us learn by our mistakes, and if we do fail, at least we will not have failed through doing nothing.

This complication shows itself in many ways. One of them is corporate responsibility. In a society when almost everything, even down to the smallest detail, is decided by committee it is practically impossible to put the responsibility for anything—good or bad—upon an individual. This is a discouragement to the first type of man, who wishes to get things done. And it is a great encouragement to the second type of man, who does not want to get things done, because his responsibility is divided among so many people that he will never be accused personally of obstruction, muddle-headedness, or plain ineptitude. His attitude is an interesting one and should be examined very carefully. Why is it that he does not want to get anything done? Why does he rejoice in the working party, the profusion of committees, the endless co-ordinating authorities, and the rest of the bureaucratic jungle in which he can hide so safely? My own theory is that he lacks courage: it is a special sort of quality, this courage to say 'I did it', or 'I was responsible'—a type of courage sometimes lacking in those whose physical courage is beyond reproach. It may stem from some type of mental insecurity, but these are fields into which I am not qualified to explore. As the judgement of a layman, however, and from considerable experience of these men, I would say that he is opposed to change on principle, and his excuse is: 'Really it isn't fair on all the other chaps for me to settle this without giving them their chance to comment'.

It is increasingly noticeable that tracking down a decision to the man who made it is becoming year by year more difficult. If you ask for a permit and you are told you cannot have one, you may not say, 'Who says I can't have a permit?', or if you do say that, the answer will be 'They say you can't have a permit.' And who are 'they'? You never know. Only

the other day I was told the story of an industrialist who wished to import some special machine tools, which he could not obtain in England, and which would have enabled him to speed up his production and reduce the costs of his overheads. He applied for the necessary import licence, but months later he was still arguing with the licensing authorities and, in the meantime, he had lost overseas orders.

If this country had a self-contained economy, it might be all right for us to indulge in this rather quaint but very irritating way of conducting our affairs. Unfortunately, Great Britain, as you know as well as I do, is in a very different position. It will never be self-contained. It will always depend upon inventing, producing, and exporting to feed itself. If everybody wants to go on eating three meals a day and enjoying a reasonable standard of living they cannot afford the old-fashioned little characteristics which I have been describing. We cannot afford the man, whatever his motives, who does not care whether things are done or not. We cannot afford the administrator whose 'pending tray' is full, the committee that drags on endlessly and gives birth to a dozen sub-committees. We cannot afford to consider everything and decide nothing.

A Flourishing Mediocrity

In the system which we are so laboriously building up mediocrity flourishes. A committee usually works to the lowest common denominator of its members—a council of three brilliant men and five mediocre men produces mediocre results—and takes far too long to do it. If it were not for the urgency which is part and parcel of daily life in these islands this would not matter so much, though it would be a sad thing; but mediocre results are not good enough. Lack of incentive to do better, lack of opportunity to originate and pioneer, and lack of scope to develop ideas will strangle us more surely than the attempts made by the submarine campaigns of two wars. So we must consider what is at the bottom of this system that has grown upon us. And how, without dislocating our national way of life, we can begin, as it were, a series of setting-up exercises which will remove the surplus fat from our public body. I should say here that my criticisms are aimed at every phase of our daily life.

I think we must reverse certain trends, and reverse them consciously and strongly. One of these trends is the centralisation of responsibility. You no longer put a man in charge of a job and tell him to make the decisions necessary—adding, in an aside, that if he makes the wrong decisions you will fire him. Lord Milner said : ‘The way to get things done is to choose a man and back him’, but nowadays, instead of doing this, you tell him that he is a manager, probably responsible to a committee, which will consider his problems and make recommendations on them to another body, who will—if life lasts long enough—produce a decision and transmit it back to him for action. It might be possible, working on a time basis, to decentralise responsibility so as to kill this evil. In the modern world every decision includes a time factor. But so often we forget this. If only we could remember this time factor we might then bring about some decentralisation of responsibility to people who are probably only too willing and anxious to accept it.

We should, somehow, try to indoctrinate those who control our affairs in the practical problems of industrial and commercial life, and we should, I am certain, endeavour to simplify and reduce the number of rules, restrictions and regulations, so many of which are compiled by men who are completely out of touch with practical issues, and which only succeed in hindering and gumming up the smooth working of our affairs. All administration and the principles governing administration work from the top down, and how we are to bring a change of heart into the men at the top of the administrative tree is not for me to say, but the warning is clear.

Over the years this country has built up its position in the world by the initiative and drive of men of action in all activities of life, not only in public administration but in science and technology in all its branches. If we are to hold our position and improve it, I am certain that these men must receive more encouragement, more incentive, and must be freed from the shackles of petty restrictions. If we do not change our ways we will, I believe, destroy the very foundations of our strength—which are our inventive genius, imaginative thinking, technical skill and ‘know-how’. We cannot afford in our struggle for industrial and commercial survival to have our course made more difficult by the navigational

hazards of bureaucracy, or our speed reduced by the drag of official inertia. The man who grows up in England with the fire of enthusiasm still alive within him has a disappointing path ahead. He will find the things he must not do are not confined to actual crimes. Indeed, crimes form but a minor part of the prohibitions of life. If he wants to get things done he must force his way into and through the treacle of well-meant, legally devised discouragement and obstruction, until either he emigrates or the fire is extinguished.

We often admire and compliment our cousins of the Commonwealth countries for these very qualities which we are suppressing in ourselves. I suggest to you that at least part of their national characteristics are due to the men who have emigrated from these islands, and who prefer to launch out into a new world rather than stifle in the restrictive environment which we are slowly coming to think is natural to us. I have nothing to say against this migration; I only warn you that if it goes on for too long, and the reasons that bring it about continue, we shall find ourselves in a steady, unspectacular, and inevitable decline. I sincerely believe that we in this country have enough common sense to see the dangers before it is too late. Do not let us wait until the eleventh hour, when we will have a long way to struggle back. In this year of 1956 the golden opportunity lies before us. Let us take it boldly, imaginatively, and bequeath to our children and grandchildren a legacy which will make them proud of us. To do so, we must alter course from that which we are now steering.

Police Administration in India—A Re-appraisal of the Aims and Means

D. G. Karve

IN the context of building up a policing structure appropriate to a democracy, two or three organisational aspects deserve special attention. In the older democracies, institutional and organisational patterns tended to have a natural growth. This evolutionary process ensured functional efficiency and public acceptance. For the newer democracies, a conscious effort at building up formal arrangements and informal conventions is necessary. The choice of model is as important as the patience and restraint needed to adhere to it in spite of short-term temptations to the contrary. The model itself has, occasionally, to be a synthetic and adapted model. If a sound start is made by a deliberate effort, the necessary traditions can naturally and freely be built up in due course. In India, the peaceful manner in which the bureaucratic top-structure gave place to a democratic system creates an impression of evolutionary growth which is not altogether correct. The position of the Judiciary vis-a-vis the Executive Government furnishes an interesting example. At the highest level, *i.e.* in the high courts, an independent status was not only provided by law but was also nursed as a cherished tradition even in the bureaucratic days. The High Courts have, therefore, been able to carry-over their independent traditions with even greater propriety and success in our republican period. At the district level, however, the combination of executive and judicial functions in the hands of the District Magistrate has continued to carry-over a feature which is directly connected with bureaucratic ideas about the nature and machinery for criminal justice in a colonial state. A separation of the Judiciary from the Executive at the district level has only proceeded very slowly and cannot be said to have been completed effectively anywhere.

The least amenable to democratic influence was the

police organization, because the police was the instrument *par excellence* through which bureaucratic administration was made effective. The District Magistrate, the chief spokesman of the bureaucracy in each district, was also the head of the police, which was organized as a force under a Superintendent of Police. Originally the Superintendent was almost invariably a European, and a member of the Indian Police Service, as the District Magistrate was a member of the corresponding superior service, namely, the Indian Civil Service. Below the "Europeanized" cadre of superior officers there was a provincial cadre of Indian Officers of an intermediate status of deputies. The lowest officer class was the subordinate service of Sub-Inspectors and Inspectors. The I.P.S. cadre was very gradually Indianized by reserving a certain number of vacancies for Indian candidates at competitive examinations for the Service. For the provincial posts, as a rule, no non-Indians (Anglo-Indians being statutory Indians) were appointed. Some of the deputies were appointed by direct selection, some by promotion from lower ranks of officers. Sub-Inspectors, from among whom Inspectors were appointed by promotion, were directly appointed, though suitably qualified and competent men of lower rank could occasionally be appointed as Inspectors.

Education and colour thus gave to the Indian Police Force a composition which was most unsuitable to democratic society. The pattern of a large number of less educated officers being directed by a small number of highly qualified and, for the most part, directly selected superior officers, was in effect a class composition. In some contexts it tended to be a community as well as caste composition. Moreover, there was not that internal *esprit de corps* which is found among officers, the junior-most among whom may look forward to being the head of the force, if his competence entitles him to that post, and whose leader himself has once been at the junior-most level. Such *esprit de corps* which is valuable in all organized services, is almost indispensable in an executive and occasionally coercive 'force' such as the police are. The class composition and status differentiation among police officers have always been vital defects in Indian police organization. These defects are all the more glaring in the democratic context of a republican and socialistic age. Keeping a certain number of places open for promotion from junior ranks is at best a poor device for bridging the gulf between

the rungs or divisions of the force which for the time being are considered unavoidable for the efficient discharge of the functions of several posts.

II

Taking into account the levels of physical and mental standards as well as educational and social qualifications needed for the discharge of higher levels of duty, it is desirable to broadbase the area of promotion by making the largest possible group eligible for preferment in keeping with an individual's capacity. It is this principle, which underlies the British system of recruitment at constable level of almost all police personnel, excluding only the highest position or two, and excluding also some of the specialist jobs. A constable, according to British law and practice, is as much an 'officer', as the Commissioner or the Chief Constable. According to Indian law also, a constable is an 'officer of police responsible for enforcement of law'. But he has never been treated as of officer rank. His has been a position which at best could be compared to that of a 'sepoy' of the Indian Army. The British system has been for the most part successful in its own environment. The general improvement in standards of education and social equality, coupled with conditions of service in the police, has made it possible to attract to police work, on constable level, personnel which is potentially capable of discharging duties of higher posts as well. The first hand practical experience which senior officers promoted under this system gather over long years stands them in good stead in their professional work. Moreover, the contacts with and influence over men and over junior ranks thus built up make for better cohesion and better leadership. On the other hand, senior officers who come up under this system are a little too old and a little too unadaptable to discharge, with vigour, objectivity and initiative, the more responsible duties of direction associated with higher posts. Public relations, including relations with local and national authorities, are also matters which need qualities which a long course of duty in very subordinate positions would not necessarily develop.

It was probably a recognition of these facts which led in U.K. to the adoption of a practice of selecting direct recruits for officers' posts from among better educated candidates.

This system was in operation for three years, between 1935-38, during which period about 20 men were recruited and were put through a special course of instruction in the Police Training College, at Hendren. The innovation was resented by the police force as a whole. They felt that it was a reflection on their capacity, and that as a thin end of the wedge it would later disrupt the integrity of the force as corps of officers. The sustained opposition coupled with circumstances created by World War II led to the abandoning of the new system. It has never been revived in the old form. The professional performance of officers recruited and trained under the system is considered to be fully equal to the high standards of the police force. In the special field covered by the broad term "public relations", these officers have given a really good account of themselves. It is unlikely, however, that the system as it was framed in 1935 will be reconsidered for adoption. But the shortcomings of an exclusive reliance on the older system, and the importance of some of the organizational features of police work for which in addition to professional competence other qualities are necessary, may give rise to some adaptation of the old system to suit new requirements. It is not possible to say what form this adaptation may take, or when it will come about. It would however, be wrong to assume that all concerned with police organization in England are so fully satisfied with the present system as not to entertain any ideas of change.

In the light of experience, in India as well as outside, it is clear that what is described as the rank of a Sub-Inspector should be made the only entrance to Officers' posts in the police organization. To the extent to which any persons below the rank of Sub-Inspector are considered qualified to be appointed Sub-Inspectors they should be so appointed by selection. But whether by appointment or selection, all officers should start as Sub-Inspectors. As the standard of education and social equality rises, it will be possible to rely more and more on the method of selection to obtain the required strength of officers. A standard of graduate education can be uniformly prescribed for appointment to Sub-Inspector's posts, suitable equivalences to University degree being prescribed for those who have obtained their qualifications in other ways. The nature and duration of the preliminary training to be imparted to newly recruited Sub-Inspectors will have to be recast in keeping with the more important role

that they may later on be called upon to play. At appropriate later stages, further selection by committees and further training of those selected for promotion can be provided. Broadbasing the choice of officers and excluding direct appointments need not be construed as leading unavoidably to dead uniformity or to a worship of seniority. Possession of qualifications needed for given posts in the light of their functions must be ensured, and those who distinguish themselves by outstanding development of capacity must be recognized as worthy of preferment. But both for democratic equality, as also for the integrity and efficiency of the force, these qualifications and capacities should be organized on as universal a foundation within the force as circumstances permit.

III

It is an inherent implication of self-rule that all governmental functions should be administered with the maximum possible participation of those directly affected by each function. Where national democracy has evolved on the basis of local or State democracies this pyramid type of tapering governmental functions emerges almost as a matter of course. Things which a lower governing organization cannot do well, or cannot do as well as is in the interest of the nation, are surrendered to higher authorities, which necessarily are further removed from the people and which have to operate with greater reliance on representative authority and bureaucratic management. But where democracy and local self-government descend from above, the process of delegation in keeping with the implications of democracy becomes more difficult. The democratic successors of autocratic or bureaucratic governors find the centralized scheme of services so convenient, though perhaps not so popular, that they are most reluctant in practice to shed real authority in favour of smaller units. In their moments of trial they appeal to the people to share the responsibility with higher authority. But this is asking for the impossible. Nobody will really agree to be responsible for something which he has not decided or authorised. This, of course, includes decision by an authority which people have agreed to treat as the normal spokesman for their interests and choices in a given field. This process of rational and democratic allocation of functions and responsibilities among different tiers of governmental organizations

is a continuous process which each democracy has to pursue for itself.

In England, where parish, town and county administration has an origin even older than national administration, police and justice were treated as matters of natural concern of each community. Disorders, crimes and wrongs might assume proportions which would merit action by a wider community or by stronger and more exalted authority. These matters were conceded as being outside or above the capacity of local bodies. In keeping with this tradition policing functions have been attended to by British local bodies. Even in London, police of the "city" area is under the City Council, only the Metropolitan Police Force is the direct responsibility of the Home Secretary. Fifty per cent of the expenses of local forces is now borne by H.M. Government. Inspectors of local constabularies are a part of the Home Office organization. These Inspectors have in most cases been Chief Constables of some local force or other. Their advice and observations are, therefore, treated by the local authorities as well as by H. M. Government as sound professional guidance, rather than as bureaucratic direction. Local bodies have their own and district police committees for more continuous and responsible direction of police matters. By a long tradition, in important matters of organization as well as of crime it has become normal for local authorities to call in the assistance of the Home Office and through it of the Metropolitan Police. No more than normal delays and frictions result from this decentralized type of police organization, and it gives each community a pride in its own force and a sense of responsibility for keeping its own peace. The English people appear, by and large, to be content with these arrangements and there is no discernible move towards centralization of any of the important policing functions.

Many countries have tried to understand the reasons for the successful working of this system which adds to the popular character of democratic rule and reduces the responsibility of central authorities in a somewhat inconvenient field. Apart from the historical reasons explaining the emergence of the system, the most noticeable fact is the complete absence of an internal security problem in Great Britain. The British people have long attained a stage of national life where no organized effort at creating political disorder is considered to be even possible. In any case, the

angle of police acting in support of the ruling political group against the physical challenge of a rival simply does not exist. Peace is even more assured than the weather, and disorder is only the result of individual delinquency. In such an atmosphere police can be as decentralized a service as education or health. Few countries either in Europe or outside can confidently claim such a complete eradication of challenge to authority established by law. Apart from the incidents of history and recognizing the functional limitations of a decentralized police organization, it is clear that while police functions can be decentralized, national security has to remain the concern of the nation. Unless perfect or near-perfect conditions of internal political security are established any major decentralization of police functions would appear to be inappropriate. Methods of popular association as through popular committees at local and regional levels may be thought of. Some of the functions of the police which have more a civic rather than a crime or security implication can also be entrusted to a civic police. This 'force' with limited functions may act as auxiliary to State police and still retain its character as a 'civic force'.

In England there is a genuine appreciation for local police forces. While on a purely technical or professional level central police authorities may be very conscious of the shortcomings of the local police, in Governmental circles there is an undiluted satisfaction at the fact that the central Government has no immediate or direct responsibility for local peace and order. British bureaucracy has been tested over a long period and it has had its trials and achievements. Its prestige internally and internationally is so high that it can afford to be self-critical without losing face. The British bureaucrat in Whitehall would be the first to recognize that if he had the ordering of police affairs all over the country, he would make a worse job of it than even the small and loosely organized local forces. While, therefore, the Home Office and Treasury authorities would be glad to assist, with advice and funds, in the formation of area committees and the improvement and standardization of police techniques, they would not encourage any move towards centralizing police organization. Even on grounds of technical competence and progress there is a strong feeling that the existence of a number of semi-autonomous local forces has made it possible for new methods to be devised and tested in small spheres

before they were improved and adopted by the nation as a whole. Such aids and techniques of police work as wireless communication and detection by *modus operandi* of a crime are mentioned as widely accepted improvements which had their origin in small police forces. Of course, a bit of local and personal "politics" may always be traced in the organization and functioning of local police forces. But this is a functional disease from which no governmental organization, democratic or otherwise, is free.

IV

As long as political tensions persist in a community, and protecting government against the people or against any fairly substantial section of them is a part of the active duty of policemen, there is little substance in a plea for improving the relations of the police with the people, or for turning the police away from their more characteristic duties of using force in support of social order, towards more direct forms of social service such as active care of property, assistance in emergencies, and helping the handicapped in finding their way about. In England it is so obvious that the people at large look upon the policeman as a respectable social functionary and that the policeman himself feels so assured of this respect and friendliness that one is apt to assume that this is a world by itself. In actual fact, however, these enviable features of the British police are of recent growth, and they are the outcome of an all-round improvement in the economic, educational and housing conditions of the rank and file of the police. The general level of responsibility, including that of the policeman himself, is so high that mutual relations of trust and friendship emerge almost automatically. Only the "underworld" is at war with the police and the law abiding community put together. And even the underworld has been sufficiently schooled in the rules of civilized life to make it possible for the police to function without carrying fire arms. It is at first glance surprising to be told that only about a hundred years ago mobs could kill a policeman on duty, obtain an acquittal on charges of man-slaughter and riotously celebrate the event. Veritably, in law as in virtue, while saints have a past, sinners have a future.

The police must, any how, be prepared to meet any large-scale disorder which might arise. The extent of the use of arms, and the nature of arms used, depend on the character of anticipated disorder. In a lawful system of Government,

and especially in a democracy, the prevention and putting down of disorder and especially the use of force in doing so, should be fastened on the police authorities as their responsibility. In other words, any occasion for a charge that the police are acting in support of one party or section against another should be obviated. This can be achieved only by treating coercive police functions as the professional legal responsibility of the police organization representing "Government" or society as a whole, and not the Government of the day. Mutual trust and restraint needed to establish such traditions of self-abnegation by politicians and responsibility of officers cannot be created in a day. But it is in these directions that law in democracy will have to move. The courts of law have an important role to play in isolating the political aspects and personnel involved in the use of force against a citizen, and in narrowing down the issue to the mutual conduct of the individual citizen and to individual policeman involved in an act of forceful restraint.

In a society gradually settling down to a life of democratic constitutional existence, the police also have to be gradually equipped to transform themselves. This process, however, cannot be hurried beyond what the improvement in the civic situation permits. Much of the blame occasionally thrown on the policeman for a lack of friendliness towards the people really is deserved by the people themselves. The use of force by the police in support of law must be rendered almost unnecessary before they can honestly and continuously stand forward as operators of social service. This is for the people themselves to achieve, and to the extent to which they achieve it the police should be trained to their 'service' functions. Dramatising the latter by occasions like Shramadan—voluntary labour for creating a social utility—has only an ephemeral value. The outlook, behaviour and normal course of a policeman's functions can change only gradually. Personal courtesy, intimate knowledge of locality and persons, readiness to assist by personal service where the need for such action becomes a social duty, are means through which the police force will create for itself an appreciation and respect from their fellow citizens. If the officers do likewise and help and encourage other ranks to be more and more identified as a community assistance service, the relations between the public and the police would develop into an acknowledged mutual friendship, as complete as in U.K.

How to be Interviewed

Don H. Roney and Charles H. Cushman

[In the last issue (Vol. II, No. 3) we published an article "On Interviews" by Mr. Fyzee indicating the use made, by the Public Service Commissions, of interviews as a method of selection of personnel. The present article brings out the complementary aspect of the problem, namely, how the candidates can present a true and complete picture of their merit to the interviewing authorities. We are thankful to the Civil Service Assembly of the United States and Canada for granting us permission to reproduce the article from the October 1954 issue of the "Public Personnel Review."—Ed.]

YOU have indicated that you are interested in working for the public service. Perhaps you have taken a written examination. Now, we are inviting you to appear for an interview.

As you contemplate this phase of the examination, you may feel—as do many other candidates—that the choice of weapons and time of attack are on the side of the examiners. And this is more or less true. But a good share of your attitude probably grows out of the belief that it is not possible to prepare for an interview and that there are no rules to follow during the interview.

Our purpose is to point out some things you can do in advance that will help you and some good rules to follow and pitfalls to avoid while you are being interviewed.

What is an Interview Supposed to Test?

The written examination is designed to test the technical knowledge and competence of the candidate; the oral is designed to evaluate intangible qualities, not readily measured otherwise, and to establish a list showing the relative fitness of each candidate, *as measured against his competitors*, for the position sought. Scoring is not on the basis of "right" or "wrong", but on a sliding scale of values ranging from "not passable" to "outstanding". As a matter of fact, it is possible to achieve a relatively low score without a single "incorrect"

answer because of evident weakness in the qualities being measured.

Occasionally an examination may consist entirely of an oral test—either an individual or a group oral. In such cases, information is sought concerning the technical knowledges and abilities of the candidate, since there has been no written examination for this purpose. More commonly, however, an oral test is used to supplement a written examination.

Who Conducts Interviews?

The composition of oral boards varies among different jurisdictions. In nearly all, a representative of the personnel department serves as chairman. One of the members of the board may be a representative of the department in which the candidate would work. In some cases, "outside experts" are used, and frequently a business man or some other representative of the general public is asked to serve. Labor and management or other special groups may be represented. The aim is to secure the services of experts in the appropriate field.

However the board is composed, it is a good idea (and not at all improper or unethical) to ascertain in advance of the interview who the members are and what groups they represent. When you are introduced to them, you will have some idea of their backgrounds and interests, and at least you will not stutter and stammer over their names.

What to do before the Interview

While knowledge about the board members is useful and takes some of the surprise element out of the interview, there is other preparation which is more substantive. It is possible to prepare for an oral—in several ways:

1. *Keep a copy of your application and review it carefully before the interview.* This may be the only document before the oral board, and the starting point of the interview. Know what experience and education you have listed there, and the sequence and dates of it. Sometimes the board will ask you to review the highlights of your experience for them; you should not have to hem and haw doing it.

2. *Study the class specification and the examination announcement.* Usually the oral board has one or both of these to guide them. The qualities, characteristics, or knowledges required by the position sought are stated in these documents. They offer valuable clues as to the nature of the oral interview. For example, if the job involves supervisory responsibilities, the announcement will usually indicate that knowledge of modern supervisory methods and the qualifications of the candidate as a supervisor will be tested. If so, you can expect such questions, frequently in the form of a hypothetical situation which you are expected to solve. *Never go into an oral without knowledge of the duties and responsibilities of the job you seek.*

3. *Think through each qualification required.* Try to visualize the kind of questions you would ask if you were a board member. How well could you answer them? Try especially to appraise your own knowledge and background in each area, *measured against the job sought*, and identify any areas in which you are weak. Be critical and realistic—don't flatter yourself.

4. *Do some general reading in areas in which you feel you may be weak.* For example, if the job involves supervision and your past experience has *not*, some general reading in supervisory methods and practices, particularly in the field of human relations might be useful. *Don't study agency procedures or detailed manuals.* The oral board will be testing your understanding and capacity, *not* your memory.

5. *Get a good night's sleep and watch your general health and mental attitude.* You'll want a clear head at the interview. Take care of a cold or other minor ailment, and, of course, *no hangovers.*

What to do the day of the Interview

Now comes the day of the interview itself. Give yourself plenty of time to get there. Plan to arrive somewhat ahead of the scheduled time, particularly if your appointment is in the fore part of the day. If a previous candidate fails to appear, the board might be ready for you a bit early. By early afternoon an oral board is almost invariably behind schedule if there are many candidates, and you may have to wait.

Take along a book or magazine to read, or your application to review. But leave any extraneous material in the waiting room when you go in for your interview. In any event, relax and compose yourself.

The matter of dress is important. The board is forming impressions about you—from your experience, your manners, your attitudes, and from your appearance. Give your personal appearance careful attention. Dress your *best*, but not your flashiest. Choose conservative, appropriate clothing, and be sure it and you are immaculate. This is a business interview, and your appearance should indicate that you regard it as such. Besides, being well groomed and properly dressed will help boost your confidence.

Sooner or later, some one will call your name and escort you into the interview room. *This is it.* From here on you're on your own. It's too late for any more preparation. But, remember, you asked for this opportunity to prove your fitness, and you are here because your request was granted.

What happens when you go in?

The usual sequence of events will be as follows : The clerk (who is often the board stenographer) will introduce you to the chairman of the oral board, who will introduce you to each other member of the board. Acknowledge the introductions before you sit down. Don't be surprised if you find a microphone facing you or a stenotypist sitting by. Oral interviews are usually recorded, in the event of an appeal or other review.

Usually the chairman of the board will open the interview by reviewing the highlights of your education and work experience from your application—primarily for the benefit of the other members of the board, as well as to get the material into the record. Don't interrupt or comment unless there is an error or significant misinterpretation; if so, don't hesitate. But don't quibble about insignificant matters. Usually, also, he will ask you some question about your education, your experience, or your present job—partly to get you started talking, to establish the interviewing "rapport." He may start the actual questioning, or turn it over to one of the other members. Frequently each member undertakes

the questioning on a particular area, one in which he is perhaps most competent. So you can expect each member to participate in the examination. And because the time is limited, you may expect some rather abrupt switches in the direction the questioning takes. Don't be upset by it. Normally, a board member will not pursue a single line of questioning unless he discovers a particular strength or weakness.

After each member has participated, the chairman will usually ask if any member has any further questions, then will ask you if you have anything you wish to add. Unless you are expecting this question, it may floor you. Or worse, it may start you off on an extended, extemporaneous speech. The board is not usually seeking more information. The question is principally to offer you a last opportunity to present further qualifications or to indicate that you have nothing to add. So, if you feel that a significant qualification or characteristic has been overlooked, it is proper to point it out in a sentence or so. Don't compliment the board on the thoroughness of their examination—they've been sketchy, and they know it. If you wish, merely say, "No thank you, I have nothing further to add." This is a point where you can "talk yourself out" of a good impression or fail to present an important bit of information. *Remember, you close the interview yourself.*

The chairman will then say, "That's all, Mr. Smith, thank you." Don't be startled; the interview is over, and quicker than you think. Say, "Thank you and good morning," gather up your belongings and take your leave. Save your sigh of relief for the other side of the door.

How to put your best Foot Forward

Throughout all this process, you may feel that the board individually and collectively is trying to pierce your defenses, to seek out your hidden weaknesses, and to embarrass and confuse you. Actually, this is not true. They are obliged to make an appraisal of your qualifications for the job you are seeking, and they *want to see you in your best light*. Remember, they must interview all candidates and a non-cooperative candidate may become a failure in spite of their best efforts to bring out his qualifications. Here are some suggestions that will help you:

1. *Be natural. Keep your attitude confident, but not cocky.* If you are not confident that you can do the job, don't expect the board to be. Don't apologize for your weaknesses, try to bring out your strong points. The board is interested in a positive, not a negative presentation. Cockiness will antagonize any board member, and make him wonder if you are covering up a weakness by a false show of strength.

2. *Get comfortable, but don't lounge or sprawl.* Sit erectly but not stiffly. A careless posture may lead the board to conclude you are careless in other things, or at least that you are not impressed by the importance of the occasion to you. Either conclusion is natural, even if incorrect. Don't fuss with your clothing, or with a pencil or an ash tray. Your hands may occasionally be useful to emphasize a point; don't let them become a point of distraction.

3. *Don't wisecrack or make small talk.* This is a serious situation, and your attitude should show that you consider it as such. Further, the time of the board is limited; they don't want to waste it, and neither should you.

4. *Don't exaggerate your experience or abilities.* In the first place, from information in the application, from other interviews and other sources, the board may know more about you than you think; in the second place, you probably won't get away with it in the first place. An experienced board is rather adept at spotting such a situation. Don't take the chance.

5. *If you know a member of the board, don't make a point of it, yet don't hide it.* Certainly you're not fooling him, and probably not the other members of the board. Don't try to take advantage of your acquaintanceship—it will probably bounce back on you.

6. *Don't dominate the interview.* Let the board do that. They will give you the clues—don't assume that you have to do all the talking. Realize that the board has a number of questions to ask you, and don't try to take up all the interview time by showing off your extensive knowledge of the answer to the first one.

7. *Be attentive.* You only have twenty minutes or so, and you should keep your attention at its sharpest throughout. When a member is addressing a problem or a question to you, give him your undivided attention. Address your reply principally to him, but don't exclude the other members of the board.

8. *Don't interrupt.* A board member may be stating a problem for you to analyze. He will ask you a question when the time comes. Let him state the problem, and wait for the question.

9. *Make sure you understand the question.* Don't try to answer until you are sure what the question is. If it's not clear restate it in your own words or ask the board member to clarify it for you. But don't haggle about minor elements.

10. *Reply promptly but not hastily.* A common entry on oral board rating sheets is "candidate responded readily", or "candidate hesitated in replies." Respond as promptly and quickly as you can, but don't jump to a hasty, ill-considered answer.

11. *Don't be peremptory in your answers.* A brief answer is proper—but don't fire your answer back. That is a losing game from your point of view. The board member can probably ask questions much faster than you can answer them.

12. *Don't try to create the answer you think the board member wants.* He is interested in what kind of a mind you have and how it works—not in playing games. Furthermore, he can usually spot this practice and will usually grade you down on it.

13. *Don't switch sides in your reply merely to agree with a board member.* Frequently, a member will take a contrary position merely to draw you out and to see if you are willing and able to defend your point of view. Don't start a debate, yet don't surrender a good position. If a position is worth taking, it is worth defending.

14. *Don't be afraid to admit an error in judgment if you are shown to be wrong.* The board knows that you are

forced to reply without any opportunity for careful consideration. Your answer may be demonstrably wrong. If so, admit it and get on with the interview.

15. *Don't dwell at length on your present job.* The opening question may relate to your present assignment. Answer the question but don't go into an extended discussion. You are being examined for a *new* job, not your present one. As a matter of fact, try to phrase *all* your answers in terms of the job for which you are being examined.

16. *Don't bring in extraneous comments or tell lengthy anecdotes.* Keep your replies to the point. If you feel the need of an illustration from your personal experience, keep it short. Leave out the minor details. Make sure the incident is real and not imaginary.

17. *Don't be technical or ponderous.* Keep agency gobbledegook out of your replies for two reasons: First, some members of the board will probably not understand you, and second, if they do, they will charge you with an inbred vocabulary. They are not interested in a play-back of the agency manuals.

18. *Don't use slang terms.* Many a good reply has been weakened by the injection of slang terms or other language faults. Frequently, the board will note any slips of grammar or other evidence of carelessness in your speech habits.

19. *Leave your exhibits at home.* The board is not interested in pictures of your family, your letters of reference, clippings about your office, or new procedures you have devised, or the debating medals you won in high school.

20. *Don't be ingratiating.* The "soft soap routine" seldom works with an oral board. Be pleasant and smile occasionally, but do it naturally and don't overdo it.

Good Luck to You

Probably you will forget most of these "do's" and "don't's" when you walk into the oral interview room. Even remembering them all will not insure you a passing grade. Perhaps you didn't have the qualifications in the first

place. But remembering them *will* help you to put your best foot forward, without treading on the toes of the board members.

Rumor and popular opinion to the contrary notwithstanding, an oral board wants you to make the best appearance possible. They know you are under pressure—but they also want to see how you respond to it as a guide to what your reaction would be under the pressures of the job you seek. They would rather give you a good grade than fail you but theirs is a heavy responsibility, for upon their decisions will depend, in some measure, the success or failure of a public service and the expenditure of large sums of the taxpayer's money. Whether it is contained in the area of examination or not, they will be influenced by the degree of poise you display, the personal traits you show, and the manner in which you respond. It is up to you to convince the board that you possess the necessary qualifications to assure satisfactory performance in the position you seek. Proper preparation should assist you in making this demonstration. We hope that this statement will help you do your best.

Leadership in Administration

K. N. Butani

THE existence of a large number of separate organised "Services" to deal with separate subjects has been one of the principle characteristics of the structure and pattern of administration in India. Members of these Services were recruited at the lowest stages and had a natural expectation in due course to reach the highest rungs in the "Department" concerned provided they continued to perform their allotted jobs satisfactorily with due regard to the rules, regulations and prescribed procedures. There were occasional instances of individual officers being actuated by a real zeal for public service or for attaining consciously thought-out and well-understood public goals. A considerable amount of *esprit de corps* undoubtedly existed but the main forces motivating individual efforts consisted almost entirely of a desire to secure the good opinion of the superiors thereby smoothing the path of advancement and the fear of punitive consequences descending upon any disobedience of an order or departure from the rules and procedures. The Heads of Departments and senior officers, produced by such a system did a vrey good job of keeping the machine running and ensuring that rules and procedures were firmly followed. But it is hardly possible for any one to say that they had any need or inclination to exercise leadership in the real sense of the word. Such a state of affairs served admirably the special needs of the static law and order State as it then existed.

With the recent rapid expansion of governmental functions in general and of the public sector of industrial and commercial activities in particular, the system of separate organised services is gradually breaking up; but the old insistence on the strict observance of rules and regulations as a means of ensuring performance and integrity still persists. In the absence of the old cohesive force, the emphasis on compliance with rules and regulations produces only an outward conformity without instilling in the public servants a desire to improve individual performance. The rules have helped to regulate the conduct but they have failed to promote crystallisation of attitudes and perspectives so essential to the

contribution of the best human endeavour; instead they have resulted in cramping individual initiative and ability.

But, however perfect be the system of administration, personnel performance cannot in the changed circumstances of today, rest alone on the efficacy of controlled mechanisms based on the concept of unity of command; it is equally essential to supplement them by leadership capable of providing a motivation stronger than that of mere safety or material return.

II

The role of leadership in heightening individual performance has been well-understood in the Army for a long time. While acceptance of authority is incessantly drilled into the 'jawans', they come to accept it willingly because authority there is invariably coupled with attributes of personal leadership. At no time is this more patent than during actual combat when the best is wrung out of the 'jawans' by a display of qualities such as valour, courage and an indomitable will to win, by the leader, and not by the mere imposition of any formal authority from above. The key-note of personnel administration in the Army is that people are not just ordered but inspired and "developed" to obey. They thus develop a sense of positive achievement and action-mindedness which are so glaringly absent in civil administration. The experience of the Army is a pointer to the need for the abandonment of the antiquated approach to personnel administration and its replacement by a positive and bold humanised approach so that the acceptance of authority becomes a voluntary discipline and not an irksome imposition. The new approach should aim at "developing" the personnel rather than treating them as mere cogs in the administrative machine.

We are today in the midst of the immensely exciting experiment of national development and thus in no less grave a state of emergency than the one created by war. Greater therefore is the need for leaders in administration to harness the vast stores of human energy for purposes of development. Administrative leadership assumes a unique significance in view of the importance attached in our democratic Republic to public cooperation and participation in the implementation of programmes of national development.

III

Leadership in administration, translated into practical realities, implies that leaders must have 'spring' and vitality in them to be able to tap the immense potentialities of human endeavour for creative activity. By dash, enthusiasm and zest for work, they should be able to infect the entire team they command with a pioneering spirit of endeavour and towards feats of administrative achievement.

The most essential requisite of leadership in administration is the quality to inspire in men a sense of pride, a sense of accomplishment and a satisfaction of having achieved 'something' in the performance of their daily duties. The unceasing computation of tax by clerks, the indefatigable noting on files by assistants, the continuous concoction of mixtures by compounders, all have an ultimate objective far beyond the immediate ken of the performer. It falls upon the leader to let the 'reason behind the rule' percolate down to the humblest operative so that the environment necessary for the inculcation of a sense of objective is created.

To win the loyalty and devotion of his staff, the leader must possess a high degree of integrity, objectivity, perseverance and dynamism, as also ability in his field of work. He must also display an understanding of the human nature and group reactions, a warm-hearted approach to the personal problems of his men, and a fraternal but strict attitude in dealing with administrative delinquencies. Above all, he should be able to shift the focus of attention of his employees from 'getting along with work' to positive achievement and team work and thus release their innermost urges for better performance which are now bottled up on account of the fear-psychosis engendered by lifeless bureaucratic methods of administration.

Instances of the important role played by leadership in administration are not lacking. Very often we find miracles of administrative achievements performed by units working far beyond their normal capacities just because their leader has succeeded in infusing in them a harmony, a oneness of mind, so essential to team work. This integration takes place, not by the formal authority of the 'boss', but by the catalytic attributes of his leadership. Such attitudes can hardly be inspired by "regulation perfects" who, with a slavish concern for the ritual of bureaucracy, base administration on 'remote and insular' control and glorify the importance of 'pieces of

paper' thus dimming their own sense of human realities. By thus dehumanising administration they only succeed in causing the gradual atrophy of talent and initiative at lower levels of administration.

IV

How then, are we to set about creating leaders in administration. Leadership is not a mere fusion of certain special attributes; though it does imply the possession of qualities like far-sight, vitality, understanding, sensitivity, forbearance, ability and integrity. Above all, there must be the *will to lead* which comes only by the development of the above qualities in conditions conducive to their growth.

The development of the latent attributes of leadership though possible during the training period, is not wholly effective since decisiveness and dash, which are so essential to leadership, can only be acquired by their actual exercise under real conditions. It is, therefore, desirable that suitable opportunities should be provided within the administrative hierarchy for the development of leadership. Men of special merit should be chosen at a young age and provided with exceptional opportunities to develop their talents so that administrative leadership of high calibre and sufficient strength is available to the country in the near future. It is essential to develop leaders not only at the topmost echelon of administrative hierarchy but also at the middle and lower levels, in fact in every office where things have got to get going. It is only then that the whole administration would be inspired by a new sense of purpose and geared to a higher level of activity.

The above plea for the development of leadership in administration is in no way an advocacy of a new hybrid form of the much debunked "personality cult". Far from it, it is the advocacy of the development of certain executive attributes and perspectives on the part of the many who have been entrusted with the arduous task of administration in a democratic country. Administrative leadership would lift the thinking and vision of the rank and file of civil servants above pedestrian levels. Dynamic leadership has taken the country through political revolution; what is now wanted is an all-pervasive administrative leadership to enable the State to undertake successfully the manifold tasks for developing the national economy ushering in a socialist pattern of society.

Nationalisation of Road Transport in Uttar Pradesh

Jagdish Prasad

NATIONALISED road transport, known as U.P. Government Roadways, began to operate in Uttar Pradesh in May 1947. Prior to nationalisation, bus transport in Uttar Pradesh was in the hands of hundreds of individual operators. The majority of them had one bus each and very little working capital, and operated solely for personal profit without much regard for public convenience or efficient operation. In many cases the owners left the whole management to the drivers and conductors or paid agents. They did not ply to any fixed schedule. There were complaints of gross overloading, rude behaviour of staff towards passengers and cut-throat competition with railways on parallel routes.

For efficient organisation and operation of passenger road transport and avoidance of unhealthy competition between road and rail services, it was decided to form tripartite companies on regional basis, with the U.P. Government, railways and private operators as shareholders. The private operators, however, refused to participate in the scheme, and therefore, nationalisation of road services was the only alternative left. Under the revised plan for nationalisation, railways were to contribute 25% of the subscribed capital and the State Government 75%. Railways were to have representation on U.P. Roadways Board, to be set up as an inter-departmental agency for managing the nationalised road transport. However, the proposal for the participation by the railways did not materialise due to certain administrative difficulties. The U.P. Government took over from railways about 200 buses which they had already purchased in pursuance of the scheme of tripartite companies and these formed a nucleus of the nationalised operating fleet.

Nationalisation was effected in a number of stages. To start with, only a few routes were nationalised. Gradually as arrangements for maintenance of vehicles were developed

more routes were taken over. During its first seven years the progress of nationalisation was as follows :

<i>Year</i>	<i>Routes under operation</i>
At the end of	
March 1948	31
March 1949	128
March 1950	231
March 1951	242
March 1952	242
March 1953	277
March 1954	317

Majority of the displaced private operators were given alternative routes and some were granted permits to ply trucks. Only a few demanded and got compensation as agreed to between them and the State Government. The U.P. State Road Transport (Development) Act 1955 contains provision for the payment of compensation for the unexpired period of permits at the rate of Rupees one hundred for every month of the unexpired period of the permit, with a minimum of Rupees two hundred.

Nationalisation of road transport in U.P. is not yet complete. Only about 52% of the total metalled road mileage has been taken over by the State Transport. Under the Second Five Year Plan, some of the routes which were included in the First Five Year Plan but could not be taken over due to legal difficulties, will be taken over and in addition new routes covering 483 miles will be nationalised.

II

Nationalisation has proved a great success. Road transport operations are now planned and conducted on scientific lines. Time schedules have been introduced according to traffic requirements and regular bus stations and 'by request' stops have been established. The punctuality attained by State services is as high as 96% and the frequency of services is increased according to traffic demand, on the basis of regular traffic surveys. Each depot is provided adequate spare buses for the purpose, besides a separate reserve fleet in each region for fairs and festivals.

Special management controls have been developed to keep the costs to the minimum. Particular watch is kept on

expenditure on (a) fuel and lubricants, (b) spare parts, and (c) tyres and tubes. Consumption norms in each of these cases have been worked out and are enforced through a system of regular checks and inspections. Eight regional and one central workshop have been set up for heavy repairs and renovation of major components and chassis and engines. Proper maintenance and timely repair of vehicles is now a normal feature. The strength of staff for the regional and depot offices has been fixed on the basis of volume of business to be transacted and as high output per employee as possible is aimed at. The total staff employed per bus in U.P. Roadways compares very favourably with that employed in other State undertakings. The comparative cost of operation in U.P., Bombay and Hyderabad per earning mile for various items of expenditure on nationalised road transport during the year 1954-55 is shown in the table given at the end of the article.

As a result of nationalisation many new amenities have been provided for passengers. These include waiting halls, booking offices, refreshment stalls, lavatories, drinking water, seat reservation facilities, weighing scale for booking of luggage and better buses with cushioned seats.

Nationalisation has also brought in its wake stabilisation and improvement in the service conditions of the staff. The State Transport is employing more staff per bus than the private operators did. Nationalisation has thus helped in reducing unemployment. Most of the staff have been made permanent and is now employed on time scales of pay, with benefits of weekly offs, holidays with pay, and regular hours of work. The employees of the State Transport (except those who are covered by the Factories Act) generally enjoy all the benefits to which other Government servants are entitled. A staff benevolent fund has been opened to assist low paid employees in case of dire need. Recreational clubs and cooperative canteens have been set up and indoor games and newspapers have been provided for workers. Employees are encouraged to take part in sports and games and sports meets are organised in each region, and an inter-regional sports meet is held at Lucknow each year. Rest rooms have been provided for drivers and conductors at several stations where they halt at night. The Central Workshop at Kanpur has a separate dispensary, primary school for children of employees and quarters for some of the staff.

III

The difficult problem of rail-road coordination has been partially solved by nationalisation. In fixing the schedules of State bus services, care is taken that the timings of railway trains and bus services do not overlap on routes parallel to railways and that there is no unhealthy competition with rail services. On many a route the road transport in U.P. now acts as feeder to railways and the development of bus services on feeder routes is directly beneficial to railways. Road transport operates in small scattered units and is therefore more expensive to run than the railway which may be called a "mass production unit". Rail-road coordination, however, does not imply a total absence of competition between the two forms of transport on roads parallel to rail routes.

It is contended that nationalisation hampered the growth of road transport because a large number of vehicles of private operators were displaced from certain routes when the new ones were put on road by the State. For such routes, particularly those parallel to railways, a large number of permits had been granted by Regional Transport Authorities to private individuals who were operating on alternate days or every third day. Nationalisation here has resulted in rationalisation of transport by intensive utilisation of buses, each bus of nationalised transport doing two to three times the daily mileage done by vehicle of private operators. And despite this rationalisation, nationalisation of motor transport has resulted in an increase in the number of motor vehicles on road. During the seven years (1948-55) transport vehicles belonging to private persons and State roadways have increased from 8,716 and 570 to 9,130 and 1,808 respectively, an increase of about 18% in vehicles operated in the State.

IV

Nationalised road transport in U.P. is operated under departmental management. The Roadways Organisation is headed by the Transport Commissioner who is directly responsible to the Government. Generally, departmental management does not facilitate quick decisions, nor does it admit of easy reappropriations of funds from one minor head of the budget to another. The existing rules and regulations of the Government were framed at a time when commercial

operations by the State were not thought of. A corporation, on the other hand, has to a large measure, the powers of the Government but does not suffer from the shortcomings of a Government Department. Its management is not subject to the detailed supervision by the legislature nor is its personnel or finance subject to direct governmental control. It thus possesses in a large measure the flexibility and initiative of a private enterprise. Full responsibility for management and control and in consequence complete accountability for the results acts as an incentive to good performance and here lies the advantage of the corporation over departmental operations.

In spite of the shortcomings inherent in departmental operation, this form of management has been a success in the Uttar Pradesh in the case of nationalised transport. The Transport Commissioner has been delegated adequate powers with regard to reduction of fares up to a limit to attract more traffic, appointment of temporary and work-charged staff, sanctioning of building estimates and grant of rewards to staff. All major decisions to carry out Government road transport policies are taken on behalf of the Government by a Roadways Board consisting of the Minister for Transport as Chairman, and Chief Secretary, Finance Secretary, Secretary and Deputy Secretary (Transport Department), and Transport Commissioner as members. The Board type of management and control facilitates quick decision and prompt action.

At one time the U.P. Roadways were badly in need of new diesel chassis to build buses for replacing those which had outlived their life. The number and type of diesel chassis available in India then was very limited and they were in demand by other State Transport undertakings also. If the Transport Commissioner had not placed orders on the manufacturers expeditiously the supply would have been delayed for several months, depending on supplies from United Kingdom. That would have also upset the body building programme of the Central Workshop, which had been geared to produce twenty buses a month. The proposals containing the specification, prices etc., of the diesel chassis available were placed before the Roadways Board for decision with regard to the type and number of chassis to be purchased and within a short time orders were placed with the manufacturers. If the proposal had gone through the normal governmental

channels, it would have taken a long time to obtain the approval of Government, and replacement of unserviceable buses would have been delayed.

V

Recruitment and training of technical personnel was one of the main problems with which the new management was faced after nationalisation. Before nationalisation of road transport in the Uttar Pradesh, automobile engineering did not attract young men very much. Private automobile workshops were mostly run by experienced mechanics. To man new automobile workshops which were set up after the nationalisation, the U.P. Roadways had to run special training schemes. Mechanical engineering graduates and diploma holders were given two years' practical training in automobile engineering at the Roadways Central Workshop. Besides them, a large number of young men were trained as fitters and mechanics. A regular course of training was also given to the traffic staff in the regions and a refresher course was arranged for foremen and drivers. It was also found necessary to institute incentive schemes for giving rewards or honoraria for hard and meritorious work to drivers and technicians and other staff. Special technical pay is admissible to drivers on attaining a prescribed standard of technical proficiency. Technicians are specially rewarded for economising in expenditure on spare parts, fuel and man-hours.

The selection of personnel for non-technical posts has also attracted special attention of the management. Most of the work relating to road transport has to be done without close supervision and it is therefore essential that the staff on the spot should possess initiative, a sense of responsibility and ability to exercise judgment in new circumstances which crop up so often due to unexpected variations in traffic and other causes. To secure the services of the most qualified men, the selection of officers for gazetted posts was entrusted to the State Public Service Commission and central and regional Selection Boards were constituted to recruit the candidates for non-gazetted posts. In the earlier stages, young men with experience of road transport were not easily available to fill the posts of Assistant Managers and Stations-in-Charge. Selection of officers was therefore made largely from amongst those who had administrative and commercial experience.

To inspire the supervisory staff at all levels with the spirit of enterprise, fair dealing and cooperation, the top management keeps regular contact with subordinate staff and takes advantage of any suggestions made by them.

In a road transport undertaking, caution is needed in deciding about transfers of staff in charge of traffic and operations. The past experience, gained after a prolonged study of traffic trends and local conditions, public relations established as a result of personal contacts, wisdom gained after committing mistakes and overcoming obstacles in the special circumstances of the area, is lost for the time being as a result of a transfer. The system of changing officers and supervisory staff every three years is not conducive to the efficient working of a transport organisation. Transfers should be made only when they are really necessary for administrative reasons, and not as a matter of general policy.

One of the basic problems common to all public enterprises relates to the absence of profit motive to improve individual performance. For the success of transport operations, it was considered essential that a spirit of competition should be developed amongst regional officers. By circulating comparative region-wise statistics of breakdown, fuel consumption of vehicles, tyre mileages, battery life, break up of cost of operation, public complaints, accidents, earnings per mile, vehicle utilisation, etc., an enthusiasm was created amongst the officers to beat each other in efficiency and economy. Letters of appreciation were issued to those who did good work. Operational mistakes made in a region were carefully analysed and discussed at joint meetings of General Managers. This prevented others from repeating them.

In order to maintain contacts with local public opinion and to ensure that local interests are served by the Roadways as best as possible, Regional Advisory Committees have been set up in each region. The Committees consider matters relating to passenger amenities, time-tables, roadways routes, passenger services, etc. and consist of the Commissioner of the Division as Chairman, Superintending Engineer or Executive Engineer, P.W.D., three members of the State legislature, two presidents of the Local Boards of the districts,

Deputy Transport Commissioner (Roadways) or his nominee and the General Manager of the Region who is the Member-Secretary.

The views of the public on the services are elicited by the management through the medium of complaint books and appreciation books kept at all stations. All complaints recorded by the public are enquired into by Assistant General Managers who submit their reports to General Managers. A reply containing the result of the enquiry and the decision of the Department on the matter, is invariably sent to every complainant. It may be mentioned here that the replies to public complaints, given by most of the Central and State Departments of Government, are usually in the form of acknowledgements or a routine answer. The replies given by the U.P. Roadways, on the other hand, aim at the development of good public relations and thus have a constructive role. A monthly statement of action taken by the General Manager on each complaint is received by the Transport Commissioner and is examined by him or his deputy.

VI

The nationalised road transport in U.P. is progressing steadily and has come to stay. The capital investment in U.P. Government Roadways on the 31st March, 1956, was Rs. 4.33 crores approximately. The Roadways vehicles plied on 342 routes, covered 3,64,31,930 miles and carried 5,42,29,592 passengers during the year 1955-56. Over 9,500 persons are employed in U.P. Roadways and it has a route mileage of 14,797 miles. It has all along been running on reasonable profit.

The operation of road transport on commercial lines by the State is a new venture in India. Though the U.P. Roadways have been operating successfully under departmental management and control, the Planning Commission have expressed the view that a Corporation is a more suitable device for running a nationalised transport organisation. The Government of India have enacted suitable legislation to enable State Governments to set up statutory corporations for the purpose. The present writer, however, feels that the form of public enterprise is immaterial; what is more important is the spirit in which a public enterprise is run. The experience

of U.P. Roadways indicates that the successful operation of road transport undertakings in the country generally would depend on the fulfilment of the following conditions :

- (1) The controlling authority should have adequate powers to run day-to-day administration so that there is no necessity for a reference to Government in day-to-day working of the undertaking;
- (2) The rules and regulations should be sufficiently elastic to enable the controlling authority to make such relaxations as are necessary to run the organisation on business lines;
- (3) The rules should also provide for the recognition and rewarding of good performance;
- (4) Suitable legislation should be passed by the State Governments to run road transport services exclusively or in conjunction with railways; and
- (5) A phased programme of expansion of services should be prepared and put into practice.

Table showing cost of operation per earning mile in 1954-55 under various expenditure heads of Nationalised Road Transport in Uttar Pradesh, Bombay and Hyderabad. †

Items	Cost in pies per earning mile			Remarks
	Uttar Pradesh	Bombay	Hyderabad	
1. Staff	55.26	56.99	53.61	*During the year, Bombay operated mostly diesel buses, Hyderabad all diesel buses, and Uttar Pradesh mostly petrol buses.
2. Fuel	43.05*	23.03*	20.80*	
3. Lubricants	3.56	4.05	2.43	
4. Spare parts and repairs	28.90	20.76	27.07	
5. Reconditioning of buses		16.91		

6. Tyres and tubes	13.03	31.65	26.35
7. Batteries	0.83	4.06	1.35
8. General charges (e.g. rents, taxes, pensionary charges, audit charges, repairs to building, stationery and printing, ex gratia payments in accident cases)	16.98	23.73	20.35
9. Depreciation	22.99	31.83	18.18
10. Interest charges	7.59	13.85	11.74
11. Headquarters expenses	1.18	19.18	14.95
<hr/>			
Total cost of operation per earning mile	193.37	246.04	197.20
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Total income per mile in pies	213.12	258.56	225.87
Profit per mile in pies	19.75	12.52	28.67

† The States mentioned in this article are as they stood prior to their reorganisation on the 1st November, 1956.

Evaluation of Development Programmes

V. Nath

ALL purposive, planned and organised action in any field—social, private or governmental—implies (a) a goal or an end to be achieved; (b) the organised deployment of resources—human, material and institutional—to achieve the end; and (c) an assessment of results. The last aspect is of special significance in development planning where it is necessary to know how far the targets aimed at have been actually attained and what are the reasons for the shortfall in terms of quality or quantity of the end-product.

A review of activities and an appraisal of results is normally undertaken by the administrative agencies themselves through a system of regular checks, inspections, stock-taking, etc. Besides such administrative assessment, there is another type of assessment or evaluation which is concerned primarily with study of (i) effectiveness of methods of operation and of approach to the people and (ii) progress in terms of the impact of the activities on the social and economic life of the people. This latter type of assessment is particularly important in programmes like the community projects and national extension services which aim not merely at accomplishing stated administrative tasks, but primarily at inducing fundamental social and economic changes. The work of the Programme Evaluation Organization is concerned with this latter type of study. Considering that the evaluating agency should be in close and constant touch with the people and as near as possible to the authorities responsible for planning of the programmes, the P. E. O. was, from its very inception, constituted as an independent organisation but attached to the Planning Commission.

The need for evaluation of methods of approach and of results of extension was, for the first time, stressed by the Grow More Food Enquiry Committee in 1952.* The

* Government of India, Ministry of Food and Agriculture; Report of the G. M. F. Enquiry Committee, June 1952, p. 57.

Committee recommended the setting up of suitable organisations for the purpose in the Central and State Governments. In the First Five Year Plan, the Planning Commission emphasised that "systematic evaluation should become a normal administrative practice in all branches of public activity."

The Programme Evaluation Organisation was established in October 1952, with Professor D.G. Karve, an eminent Indian economist, as the founder-Director of the Organisation. A substantial grant towards the cost of operation of the Organisation for the first three years was given by the Ford Foundation. It is noteworthy that the P.E.O. started functioning at the same time as the first community development projects were started in the country. Its setting up with the beginning of the development programme has been of considerable advantage to both sides. The results of observations of the evaluation officers have been available to the administrators almost from the beginning. The Evaluation Organisation, on its side, has had the advantage of observing the progress of the development programme at the various stages and to develop and adapt its methods of evaluation to meet the changes in the size and content of the programme.

Objects

The objects of the work of the Organisation were defined at the time of its establishment as follows :

- (i) Keeping all concerned apprised currently of the progress being made towards accomplishing the programme objectives;
- (ii) Pointing up those extension methods which are proving effective and those which are not;
- (iii) Helping explain why some recommended practices are adopted while others are rejected by the villagers; and
- (iv) Furnishing the insights into the impact of the community development programme upon the rural economy and social life.

The importance of the evaluation carried out by the P.E.O. is better seen in the context of the character and

objectives of the national extension and community development programme itself. The programme represents the biggest effort yet made to reach the rural people, to teach them improved methods of productive activity and of better living and to provide them with effective assistance towards the realization of these ends. It is a comprehensive programme touching all aspects of rural life and every section of the rural population, and can well be considered the beginning of an intensive and expanding effort to re-generate rural life in our times. To cope with the new responsibilities the entire rural administration is being progressively transformed. The existing development services are being greatly expanded and new services are being created. The national extension service represents the basic structure of rural development administration through which the increasing development activities of the Welfare State are to reach the rural people. But this is not merely a programme of providing state assistance. The ultimate object is to develop individuals and institutions so that they may themselves progressively take up the initiative for development. Hence the emphasis on the educational process and on the growth of popular institutions.

Structure of the Organisation

The P.E.O. is an independent organisation working under the general direction of the Planning Commission. The most important part of the Organisation is its field agency which consists of about 20 Project Evaluation Officers. These officers are located in carefully selected project areas in different parts of the country. All the States and the major geographical and agricultural regions of the country are represented in the project areas. To provide guidance to the field staff and to maintain more active contact with the State Governments than what would be possible from the Central office, there are three Regional Evaluation Officers. The central staff consists of the Director and other officers who are responsible for providing overall direction and guidance and for the collation and interpretation of the results of field studies and surveys. The Project Evaluation Officer is the key functionary in the set-up because he is the primary observer of the progress of the programme and is in addition responsible for the conduct of evaluation surveys in his area. He maintains continuous and active contact with the development

staff up to the district level, and, through field visits and rural surveys, with the people of the area. Thus, the set-up of the Organisation provides for effective contacts and observations at all levels from the field to the Central Government.

Programme of Work

The work of the Evaluation Organisation falls into two main parts : (1) General Evaluation, and (2) Evaluation Surveys and Studies. Each of these is described in some detail below :

1. General Evaluation

In the first year of working of the Organisation, general evaluation received somewhat greater emphasis than other phases of its work. At that time, the community projects had just started functioning and had many new features. However, as a result of experience in the field for about one year, major changes were introduced in the organizational structure and the content of the programme and the methods of approach to the people. The extent of these changes can only be appreciated by comparing a national extension or community development block of today with the community projects which went into operation in October 1952. In the process of assessing the success of particular activities or approaches, and indicating the need for change, the reports of the P.E.O. have played a very useful role.

The most notable contribution of the P.E.O. in this field of general evaluation has been through its annual Evaluation Reports. Three of these have been published so far. Each report contains a comprehensive review of progress of the programme during the year, which is based on the experiences of the evaluation officers and on results of important studies conducted by the Organisation.

A few examples will illustrate how observations in these Reports have been of assistance to the programme. The First Evaluation Report pointed to the urgent need for broadbasing the content of the (then community projects) programme, especially in order that the underprivileged sections of the rural population might be adequately benefited, and of bringing

in the Collector as the principal officer responsible for community development and national extension service programmes in the District. Both these are accepted policies now. The Second Report contained a useful analysis of the principles underlying the administrative arrangements at the block level. The Third Report laid special emphasis on the reorientation of the activities of the *gram sevak* (village level worker) and the transformation of the outlook of the people. It also made valuable suggestions for the post-intensive (i.e. after the community project) phase of development. Besides the annual Reports, a large number of other reports relating to particular programmes or particular situations in the field, are made available from time to time to the Ministry of Community Development and the Planning Commission. The objective reporting by the Organisation has been invaluable in providing insights on how the programme was progressing, which activities were proving more successful than others, and what problems were being experienced.

2. *Evaluation Surveys and Studies*

The P.E.O. has conducted a number of surveys and studies since its inception. Most of these are designed specifically to serve as aids to evaluation. Some of the more important ones have been concerned with (i) investigation of the reasons why the rural people accept certain improved practices or participate in certain development programmes and not in others, (ii) quantitative assessment of such acceptance or participation, and (iii) measurement of the economic or social effects of the development programme upon the rural population. The four examples given below—the Bench-Mark Survey, the Acceptance of Practices Survey, the Survey on Cotton Extension in PEPSU and Studies of Rural Social Organisation—are intended to illustrate the scope and range of the surveys and studies conducted by the Organisation :

(a) *The Bench-Mark Survey :*

The purpose of a Bench-Mark Survey is to establish a base-line from which changes in specified conditions can be measured over a period of time. Considering the objectives of the P.E.O.'s work, the following items were considered to be most significant for measurement of change over time :

- (i) the extent of people's participation in improvement

practices, especially agricultural improvement practices, and works of community development; and

- (ii) the effects of adoption of new practices upon production, income, employment and levels of living of the rural population.

The Survey was conducted in evaluation blocks between February and July 1954. In each block, 6 to 10 villages were selected according to an approved sampling design and a total of 1,000 to 1,500 families were interviewed. Data was collected from all the families, on such items as occupation and employment status, literacy, incidence of sickness, patterns of land holding, land utilization and crop production, investment in specified land improvements, extent of adoption of improved agricultural practices and participation in community programmes and developmental institutions. On a more selective basis (from about 100 families in each block), data was obtained on items like assets and liabilities, capital formation, production and disposal of crops in case of cultivators, and employment and earnings in case of agricultural labourers. Changes in these conditions will be measured by means of repeat surveys to be conducted at stated intervals.

The Bench-Mark Survey has made available detailed data on important aspects of the rural economy which are of considerable interest for development workers, and the repeat surveys will make possible assessment of the extent and direction of changes in these, under the impact of development programmes.

(b) Acceptance of Practices Enquiry :

This enquiry was taken up between September and December 1954 in the same villages in which the Bench-Mark Survey had been conducted earlier. The number of families interviewed was, however, much smaller, ranging between 250 and 300 in different blocks. The main objectives of the enquiry were to bring out through careful and detailed probing : (i) the incentives provided and methods of persuasion used for encouraging the adoption of improved practices in agriculture, animal husbandry, health and sanitation, irrigation, and other fields; (ii) the reasons for adoption, partial adoption or non-adoption of improved practices by the

people; (iii) the extent to which the new practices had been found advantageous; (iv) the present attitudes of the people towards the new practices and whether they would like to continue them in future; and (v) the incentives or facilities which were considered necessary for their continued or increased adoption in future. Such an intensive survey of experiences and reactions of the people in regard to specific practices is expected to provide valuable guidance for planning of future extension activities.

(c) *Survey on Cotton Extension in PEPSU :*

Under this survey, a detailed analysis was made of the relative economy of growing the old and new varieties of cotton under different conditions of soil and irrigation, and of the economic feasibility of various cultivation practices which were being advocated by the projects along with propagation of the new variety. The enquiry revealed how a practice, viz. growing of the new variety of cotton, whose economic advantages were decisive, had spread almost equally rapidly in project and non-project areas. Further, it brought out how the acceptance of each individual improvement in methods of cultivation was influenced by its economic and practical feasibility to the cultivator. Some 'sponsored' practices were found to be acceptable to cultivators, while others, which were being simultaneously advocated were not proving acceptable.

(d) *Studies of Rural Social Organisation :*

As development programmes become more comprehensive in their scope and seek to have an increasing influence on the life of the rural people, the need for detailed basic data on social and economic aspects of rural life is increasingly felt. The gaps in our existing knowledge of rural life are particularly serious on the social side. In view of the importance of such data for its work, the P.E.O. has conducted two studies of rural social organisation and leadership. The first study, which was undertaken in a North Indian village near Delhi, analysed in detail the factors influencing group formation and patterns of leadership in the village. The second study brought out the main facts about leadership and groups in a village in Mysore, and showed how these had affected, and had in turn, been themselves influenced by development activities. As a result of these studies, some points which may prove useful

as guides to field workers, have been developed. The P.E.O. is at present engaged in a more extensive study of village institutions and leadership. The study will be of particular value in analysing the factors in the economic and social structure of the villages which have an influence on the success or failure of popular institutions like panchayats.

The Organisation has also undertaken, from time to time, a number of other surveys and enquiries dealing with particular aspects of the development programme or its impact upon rural life. One of the first surveys of the Organisation brought out interesting facts about differences in the attitudes of different classes of people within the same village towards community projects. Other P.E.O. enquiries have been related to more intensive studies of subjects like agricultural extension, administrative coordination, training programmes for village leaders and village artisans, and have been utilized mainly as background material for the annual Evaluation Reports. At any given time, one or more such studies would be in progress in the evaluation centres.

Evaluation by other Agencies

Although the P.E.O. has a distinct and important role in the evaluation of the Community Projects and National Extension Service, its work can obviously form only a small portion of the truly enormous task of assessment of progress and location of deficiencies connected with this programme. The Organisation has therefore all along impressed upon the programme administrations that a large part of the assessment has necessarily to consist of self-evaluation. To the extent self-evaluation is continuous, objective and vigorous, the programme will retain its resilience and capacity to grow. The monthly meetings of the projects or block staff at which progress of the work is reviewed and reasons for outstanding success or shortfall are examined is one instance of self-evaluation. More significant perhaps are the seminars—Inter-State, Intra-State and Intra-District—which have become a regular feature of the programme. At these seminars, development workers from different States or areas, of varying status, and representing different fields of activity, are brought together. The seminars afford a valuable opportunity for exchange of ideas and experiences among the workers and constitute an important

instrument of self-evaluation.

The Evaluation Organisation is a unit of the Central Government. Its scope of operation and the range of its activities are limited by its size which must necessarily remain comparatively small. As the size of the development programme increases, and increasingly large areas are covered by it, it becomes necessary that evaluation by the Central Organisation is supplemented by similar work by the State Governments. The Central Organisation will tend to concentrate on study of broad trends in the development programme. More intensive examination of particular developments which are of special interest to an individual State, or of assessment of progress within the area of a State, can best be accomplished by State evaluation units. The need for establishing such units is being gradually realised and some States have already initiated evaluation activity.

Reference has been made above to paucity of basic data on economic and social aspects of village life. In this field, the universities and research institutions are particularly well equipped to make a contribution. The wider scope for choice of techniques and detailed examination of basic issues, which are possible in studies by Universities, make them particularly suitable for this kind of work. An organisation like the P.E.O. can indicate to them the problems which are arising in the operation of the programme, and on which guidance, based on research, would be valuable. The P.E.O. has already acquired some experience of fruitful cooperation with Universities. One social survey in a project area has been completed by a Southern University, and another by a North Indian University is in progress. This work needs to be carried much further.

Conclusion

The brief experience of the working of the Evaluation Organisation over the last four years has demonstrated the usefulness of independent evaluation in the implementation of the community projects and national extension programme. The findings of the Evaluation Organisation have been useful not only in making an objective appraisal of progress achieved but also in planning of future activities in the light of the past experience and the attitudes and the reactions

of the people. A stage has, in fact, been now reached when it is felt that such objective assessment by an independent agency not charged with any administrative responsibility should be extended to other fields of development activity also. In all fields of development effort, in which the objectives are not merely the accomplishment of stated administrative tasks but are related to consciously inducing social and economic changes, evaluation can be a valuable aid to administrative action. By furnishing an objective appraisal of progress, by indicating which methods are proving effective and which are not and by furnishing more detailed quantitative data through specially carried out surveys, it can provide valuable material for the guidance of the field workers. In this connection, the following observations of the Planning Commission in its report on the Second Five Year Plan are noteworthy :

“The need for evaluation exists in all fields of development and more especially in those in which new or expanded activities are being undertaken. In all planned development many unknown factors have to be reckoned with. Understanding of the interaction of different elements that enter into programmes which bear closely on the life of the people can be of material help in enhancing their contribution to the welfare of the community. Evaluation has, therefore, to be increasingly orientated towards studies of a selective and intensive type, motivated by and leading to purposive action.”*

* Government of India, Planning Commission; Second Five Year Plan, 1956, p. 251.

The Administrative Heritage of India

K.N.V. Sastri

IT was Professor Seeley who wrote half a century ago that History is the root of Politics and Politics is the fruit of History. It remains practically unchallenged although the latter half of his proposition has been questioned. But in no other field of Political Science has Professor Seeley's observation been so true than in that of the twentieth-century Public Administration. In order fully to understand and appreciate why administration at a given time in any country was as it was found to be or why it is what it is today in the same area it is necessary to go into its history and discover the different stages of its development from the earliest times to the present and to examine the heritage left behind at the different layers of its historical structure.

There are numerous factors which govern History and it follows that those factors influence also the character and type of Public Administration. These include the geography of the country, the stage of its economic and technological development, the character, colour and shape of the social organisation, the culture, the form of the political organization and the pattern in which political power is distributed. A comprehensive and conclusive study demands a thorough knowledge of the precise correlation of these factors throughout the historical period and process; but such a task must be a matter of time and patient collaboration on the part of experts. At the same time, it cannot be put off indefinitely in the interests of Political Science. A beginning must be made, and even a short survey of the whole field within the few pages of this *Journal* may be useful to point the direction in which future studies may be made. A historical retrospect of administrative developments, which takes all relevant factors into account, is likely to promote a better understanding of the present administrative institutions and methods, which are intended to develop a welfare state in the case of India, than would otherwise be possible.

II

The administrative institutions of India date back to very ancient times when the Aryans in the North and the Dravidians in the South, with other races and tribes between them, quarrelled among themselves and fused only after centuries of conflict and diplomacy. Geographical conditions were formidable enough, but the immigration of the Persians, Greeks, Scythians and Huns threw India constantly into a welter and the task before rulers and statesmen for a long time was how wars could be minimised and how conciliation could be established. Strength was essential but security was equally necessary. Life had to be ordered out of chaos. The disturbing physical and social elements had to be subdued to organise the human existence into society. Patently enough a strong central autocracy was thus a *sine qua non* of Indian government from the beginning of her history, and at the same time a certain amount of autonomy had to be conceded to the people as a matter of conciliation. Neither the king nor the peasant could sit secure and pursue whatever he liked; the economic and social conditions were extremely fluid and called for constant cooperation between them.

Thus we find that in the early Vedic age (2500-2000 B.C.) the king was the head of a council of peers or elders and owed his position, primarily to his qualities as a military leader. There were very few government officers, namely the army general, the royal priest and the village headman. Two popular bodies, *sabha* and *samiti*, exercised considerable control over the King's powers. As the power of the kings grew, there arose a tendency to attribute divinity to him. During the later Vedic age (2000-1500 B.C.) the number of state officers increased and regular sources of taxation were developed. Side by side with the monarchy, there also existed republics in the Vedic age.

As the people settled down to agriculture and small industry, social and economic conditions became more stable, society was organised into four main castes and scriptures were looked upon as the ultimate source of law. The nucleus of administration which had come into existence during the Vedic period expanded into a wide administrative structure. The territories of the king were extended and the settled conditions of life invoked in almost every king the dream of becoming an emperor. Chandragupta Maurya was the first

to establish a state of modern type spreading from the river Ganga to the Kaveri. He effected a fuller separation of legislative and executive powers and, with the assistance of his able minister, Kautilya, organised the administration on a rational basis. The main features of the Mauryan administration (320-185 B.C.), which reflected the prevailing economic and political and social developments, were as follows :

1. Land was to be cultivated at any cost. It was the source of food to the people and revenue to the State. The ruler was to supply water for irrigation, loans for seeds and cattle and technical advice for development of agriculture, and to protect the harvest against looters. In return for these services, the owners had to agree to the measurement and inspection of their lands by officials and to pay a definite and equitably-assessed amount of land revenue to the State. The tenure was *ryotwari*, collections were made only if there were harvests, and a department of agriculture and forestry took care of supervision and aid. In times of draught and famine the collection of land revenue was suspended. Special assignments of land to temples, colleges and distinguished individuals in public service were often made.
2. State regulation and aid of industry and trade were quite common. Financial assistance was given to the nationals and necessary protection and facilities were afforded to the foreigners.
3. The ministers were in charge of the entire administration including initiation of new policies and review of the old ones. The central administration was organised into departments and the work was distributed over a network of hierarchical levels. The Mauryans had a big staff of civil servants, drawn from the class *Amatyas*, the equivalent of the modern I.A.S. The duty of the Central Government was to secure uniformity of administration. Asoka was particular to bring it out by the issue of a number of edicts to subordinate officers. Ministers were both severally and jointly responsible to the emperor; but could form groups within the executive council to 'put

their heads together' on important questions referred to them.

4. War, defence and foreign policy were treated as sciences. The minister formulated his policies on the basis of a theory of 'balance of forces'. In a period of war, the non-combatants were not touched and 'panic' was banned. The *Kshatriyas* had to do the duty of fighting, but as wars were becoming big and extensive, standing armies of mercenaries were formed by recruiting non-*Kshatriyas*.
5. Provinces were subdivided into divisions and the latter into districts. The *Rajjukas* who were in charge of districts held a position similar to that of the collector in modern administration.
6. Feudatories were not reduced to vassalage; they were sub-kings paying tributes to the emperor and enjoying internal sovereignty. They were not bound to serve him personally or with their armies in his wars.
7. The village administration was under a headman assisted by an unofficial council of village elders. Village elders used to settle petty disputes.
8. Religious and educational institutions stood on a slightly different level. They could enjoy state patronage but were at the same time fully autonomous in regard to their internal working.
9. Special officers were appointed to preserve and propagate *dharma*; and they moved from place to place as representatives of the emperor. The Mauryan State was largely a welfare one; it regarded itself as trustee of the people and tried to harmonise conflicting interests of different classes.

The administrative institutions of the Mauryan period flowered into full growth during the time of the Gupta dynasty (310-550 A.D.). The doctrine of divinity of the king became more popular. The king was expected to study the art of government and cultivate righteousness. Though the king was responsible for all appointments and decisions, he shared his powers with the ministers

and other high officials. Though there was no central popular assembly, the people did not suffer from the evil consequence of autocracy. There existed a superior civil service the members of which were known as *Kumaramatyas*. The judicial department made a remarkable development during the Gupta period. There were district councils which were an administrative innovation of the age. Each of these councils consisted of the chief banker, chief trader, chief artisan, chief writer and several other members. Large powers were delegated to local and town councils which became fairly efficient and powerful after 400 A.D. Almost all functions of government, except foreign policy and war, were discharged by local bodies. The village administration was in charge of a headman who was assisted by a non-official council known as *Janapada* in north India and *Panchayat* in south India. Government was thus remarkably decentralised.

III

When the Muslim invaders conquered India they strongly opposed a system of life and culture based on Hindu *dharma*. They came to India as 'irreconcilables'. As they were to stay in the country permanently, they had to live and grow amidst the Hindus. Conciliation was thus thrust upon the Muslims and the futility of war and forced conversion and extermination was also revealed. At the base, the Hindu systems of village self-government, land revenue and accounts were used as the administrative foundations of their empire; at the top, the practice of filling high offices with the Hindus and of marrying into Hindu families introduced by Akbar was followed off and on by other Great Mughals.

The main developments in the field of administration during the Muslim period, especially Mughal rule, were as follows :

1. The establishment of a central autocracy generally meant (except when there were major changes in the ruling dynasties) peace and prosperity for the people in general. It brought in its wake a well co-ordinated system of government, the development of roads, the growth and expansion of industries, improvement of agricultural methods and wider opportunities for social and cultural development.

2. For the first time, a centralised and stable administration was established covering the larger part of the country. The introduction of the Mansabdari principle and the complete reorganisation of the civil and military services made for greater discipline and efficiency. Many of the administrative institutions of the Mughal times still linger in different forms. While some of them like village Patwari, Kulkarni (Muqaddam) came from the ancient past, others like the *Sarkars*, *Subahs* are distinct Mughal survivals.
3. A notable contribution was the reorganisation of the revenue and fiscal administration. The merit of the reorganised system lay in the scientific and just assessments of land revenue, based on careful, systematic and accurate surveys.
4. In the administration of justice Mughal emperors aimed at high standards. The canon law was Islamic, but the common law was secular. Local traditions and customs were respected as long as there was no infringement of the fundamental laws of Islam. In civil disputes, Hindus were allowed to be governed by their own laws and customs but in criminal matters, they were subject to the same jurisdiction as Muslims. Something like the modern rule of law took the place of absolutely arbitrary government of earlier Muslim rulers.
5. Akbar placed before the country, for the first time since the coming of Muslims, a vision of a homogeneous nation. This meant, in practice, elimination of all discriminations, based on religion and race, in regard to public employment. The Hindus could then fill by sheer merit any office. The public services were manned by persons centrally selected and governed by regulations which were well defined.

In short, the main contributions of Muslim rule were centralisation, systematisation, standardisation and to some extent secularisation of the administration.

IV

When British rule commenced about 1800 a century of 'provincial powers' had habituated people to local patriotism

and anarchical struggle for existence. But the superior armed strength, skill and diplomacy of the British enabled them to put an end to parochial and anarchical conditions and establish peace and order in the country. Not much British blood or money was lost in the process, and, what is more important, the British adapted and improved upon the existing administrative institutions to suit the changed circumstances of their times.

The period of British rule was characterised by the unification of the whole country under a single political rule, the influx of western scientific discoveries, customs and culture, the spread of education among the middle classes, a remarkable development of means of communication and the establishment and growth of the factory system of production. In its early days, a strong central administration was indispensable to hold the country under the British yoke and to develop it economically in stages. The economic and social development which followed, in turn, facilitated decentralisation of functions, the grant of provincial autonomy and the growth of representative institutions. It is rather difficult to give here a full picture of the British administration of India which lasted for nearly two centuries. Its principal characteristics were briefly as follows :

1. The district administration was the pivot of the government. It was the foundation of the "bureaucracy" and standardised efficiency with which the name of the British rule came to be associated. The district system was adopted not only for efficiency but also for popularity. The East India Company had continued the indigenous institutions at the instance of men like Sir Thomas Munro, Sir Charles Malcolm and Mountstuart Elphinstone, and the 'collector' was a legacy from both the ancient Hindu and medieval Mughal heritage.
2. The British developed a comprehensive system of civil services. The Indian Civil Service, though bureaucratic in spirit, set high standards of integrity and efficiency which other civil services tried to follow. The members of the Service were men of practical insight. The merit system was, for the first time, introduced in India on an organised basis

for recruitment to public services, by holding of competitive examinations. The pay scales and terms and conditions of service were rationalised and standardised.

3. The British reorganised and developed the financial and fiscal administration on sound economic lines, subject of course to considerations of British interests.
4. Justice was administered on the genuine British pattern. Law was codified; procedure was defined, and punishment was rationalised. But the Europeans were given preferential treatment on racial grounds.
5. The major weaknesses of British administration were in over-centralisation and red-tape, stifling of village panchayats and the impoverishing of rural economy, reservation of quotas for minorities in services, the creation of a social gap between the people and the administrators, and the toleration of bad administration in the princely states.

On the whole, the pattern of British administration was based on the need to develop the country politically and economically, mainly as a source of profit for the British trade and industry. Accordingly, while the British rule helped to build an administrative system based on the structure of the ancient and medieval Indian administration, it did not carry the evolution far enough to meet the real requirements of the country and its people. The system resembled like a granite castle whose roof had been blown off.

V

Free India commenced its administrative career with some advantages but also some disadvantages. Among the former were the rich and respectable heritage of ideas and institutions which constituted the foundation of Indian culture and which had been preserved intact by the British rulers, a host of innovations and additions which they had introduced and been found to be popular, the impact of science upon the oriental mind, etc. And among the disadvantages were all those evils which are attendant upon a system of alien rule and imperialism. It was neither possible nor

desirable to reorganise the entire administration Tughlak-like, and statesmanship lay in hastening slowly. But the most urgent of all the measures at once to revive and vitalise it was to 'Indianise' it and to make it a true 'service' of the people at whose expense it was maintained. This has happily since been achieved by making appropriate provisions in the new Constitution as well as by adoption of suitable public policies in the context of the realisation of the country's plans for economic and social development.

VI

The preceding short sketch of the legacy of history to modern, free India brings out two main conclusions. The first and foremost is that the problems of Asoka are still the problems of Pandit Jawaharlal Nehru, namely Security, Unity and Prosperity in an atmosphere of loyalty, law and order and peace. War, colonial expansion, territorial aggrandisement and such other forms of violence to the life, liberty and property of others were as abhorrent to Indian administration of Asoka's day as they are today. The second and equally important conclusion is that the administrative structure of the country has passed through a continuous process of evolution, notwithstanding rude shocks and setbacks and long spells of stagnation even. The Indian genius did not lose the threads of life or lapse into confusion or dismay. It held itself in patience and at the first favourable opportunity sprouted into a fresh and green entity like the common grass at the onset of the first showers in summer.

The main directions of the evolution, as far as they can be conjectured from the present conditions and plans for future development, are as follows:

1. The whole concept of strong central autocracy has given way to that of a parliamentary democracy in which the people decide for themselves what they want the government to do. The success of administrative policies and programmes would in future depend upon the degree of public cooperation and participation in their implementation.
2. Though the Constitution has defined the respective powers of the Union and the States, stable settling points for the allocation of powers and responsibi-

lities between the two have still to be worked out.

3. The increase in the range and size of state activities, in recent years, necessitates further decentralisation of functions and delegation of powers to lower levels. How to effect the necessary decentralisation and delegation in keeping with the requirements of efficiency and integrity is still an unresolved problem.
4. The character and form of the existing administrative institutions and practices are likely to undergo a basic transformation to further an early realisation of a socialist pattern of society which is now the accepted ultimate goal of all state activity. It is difficult to anticipate what would be the exact nature and form of the change. But it would obviously include increased public participation in non-regulatory state activities, more popular control of village administration, greater use of cooperatives for the development of small scale industries, workers' participation in management and some kind of reorganisation of public services on a functional basis to cope with the new welfare and development functions.

“A well-organized service is a quasi-organic unit. It has traditions, an *esprit de corps*, and a common outlook of its own. It has, if I may say so, a kind of collective soul. A single promotion or demotion, a rebuke or a compliment, meant for no more than one member of the service, has its effect on the whole system and affects its morale for better or worse.”

—K.M. MUNSHI
(in ‘Kulapati’s Letter on Life,
Literature & Culture, dated
June 17, 1956, ‘Bhavan’s Journal’
Vol. II, No. 23)

The National Savings Organisation

K. S. Malhotra

SMALL Savings have, of late, assumed a new and important role in the economy of the country. The mobilisation of domestic resources will not only contribute towards general economic stability but will also augment the nation's supply of capital for productive investment. In the context of the progressive reduction of economic inequalities in years to come, Small Savings will, in fact, be of special significance for financing future plans of economic development.

For understanding the potentialities of Small Savings Movement in the national economy of tomorrow, it seems necessary to dig into its past and to note the successive stages through which the movement has passed. A historical account of any organisation is of importance for reviewing and planning its activities in a broader context. Such an account might also be of value to other organisations facing similar problems. The present article shows *how during a short span of 13 years the National Savings Organisation has grown from a small nucleus of a purely official body at the centre into a public relations agency with widespread contacts all over the country and how the methods and content of its work had to be continuously adjusted to meet the requirements both of the public interest and the people.*

II

The origins of the National Savings Movement in India go back to 1833 when a Government Savings Bank was opened at the Presidency Bank of Bengal. Two years later, similar savings banks were opened in the Presidency towns of Bombay and Madras also. An extension of the savings bank facilities took place in 1870, when certain selected district treasuries were thrown open for such business. In 1882, Post Offices were authorised to do savings bank business, and in 1886 the Post Office Savings Bank took over the savings bank business from district treasuries and a decade later from the Presidency Banks also. Since 1896, all savings

bank business of Government is being transacted by the Postal Department.

Up to the year 1917, a Savings Bank Deposit was the only investment offered to small savers, and the total deposit was a modest accumulation of about Rs. 16 crores. In 1917—presumably under pressure of the needs of World War I—a second investment designed to attract the small savers' money, viz., the 5-Year Post Office Cash Certificate, came into existence. The War over, the small saver in India was forgotten for another two decades.

With the outbreak of World War II attention came to be focussed on the mobilisation of all possible financial resources for its prosecution. It was soon realised that the two securities already open to small savers, i.e., the Post Office Savings Bank and the 5-Year Post Office Cash Certificate, were not enough to meet the needs of various categories of small savers; and in order to broaden the basis of investment, the Government, in June 1940, introduced the 10-Year Defence Savings Certificates. A year later the Post Office Defence Savings Bank came into existence.

The Independence Movement in India had, during the thirties, attained a great momentum and the masses did not feel enthusiastic about providing funds for financing an alien war. The propaganda drives organised by Government officers degenerated into virtual coercion, and the Defence Savings Certificates bought under pressure were sometimes encashed as soon as the officials turned their backs. Government were not unaware of this unhappy position and its knowledge led them to reorient their policy towards the small saver. In October 1943, *Defence Savings Certificates* were substituted by *National Savings Certificates*. During the same year, in consultation with the Provincial Governments, the Government of India decided to launch a Small Savings Movement throughout the country. Its avowed objectives were : (i) to check inflation; (ii) to offer facilities to the class of people, who generally did not subscribe to Government loans, to lend their savings to Government; and (iii) to inculcate the habit of thrift among the masses. Authorised Agents were appointed to canvass among the inhabitants of the areas allotted to them and to secure investments in National Savings Certificates. These Agents were remunerated by a commission of $2\frac{1}{2}\%$ on all investments secured by them.

To administer the above scheme, an organisation known as the 'National Savings Central Bureau' was started in August 1943, with its headquarters at Simla. Lt. Col. C.K. Daly, CSI, CIE, was appointed the National Savings Commissioner for India. The publicity side of this organisation was placed under the direction of the Publicity Adviser to the Government of India. A month later the Bureau was attached to the Finance Department. It was soon apparent that to effectively tackle the work of popularising the Movement all over the country more staff was needed at headquarters and accordingly the posts of a Deputy National Savings Commissioner and two Assistant National Savings Commissioners were created during the period 1944-46. A Secretary to the Commissioner was also appointed and the strength of secretarial personnel was suitably augmented.

The first task undertaken by the Organisation was to contact the Provincial Governments and persuade them to set up provincial machinery for the collection of small savings. Estimating the requirements of personnel to work the Scheme in the provinces, it was decided to give to each province the following staff : (i) one National Savings Circle Officer at Rs. 1,500/- p.m.; (ii) one Assistant National Savings Officer per administrative division on a fixed pay of Rs. 210/- p.m., plus a bonus of $\frac{1}{16}\%$ of the value of National Savings Certificates sold through Authorised Agents in his area, subject to a maximum of Rs. 210/- p.m.; and (iii) one clerk per Tehsil. The Central Government originally intended to appoint one regional officer for each postal circle (which sometimes comprised more than one province) and to share the pay of the officers with the Provincial Governments. The latter, however, found these arrangements unsuitable and the Government agreed to appoint one officer for each province on a salary varying from Rs. 750/- to Rs. 1,500/- per mensem and also to bear the entire expenditure of the pay. The National Savings Staff in the provinces was appointed by Provincial Governments and was initially governed by the provincial service rules. The Provincial Governments met the expenditure on the salaries in the first instance which was subsequently re-imbursed by the Central Government. The Princely States were to make their own arrangements to run the Scheme in their territories. They were paid expenses for its working, ranging from 1 to $1\frac{1}{2}$ per cent on the total sales of National Savings

Certificates effected in their areas. This payment was in addition to the $2\frac{1}{2}\%$ commission earned by the Authorised Agents. Four gazetted posts of National Savings Advisers to the Princely States were also created.

Though the habit of thrift among the people was an avowed object of the Organisation, the energies of the department were mostly concentrated on increasing the sale of National Savings Certificates. The Authorised Agents were whipped into activity by the Assistant National Savings Officers in their anxiety to secure the maximum bonus for themselves. But due to a ceiling on bonus which could be earned by the officials in a month, it was not uncommon for investments to be paid back if their volume in a month was unduly large. Administratively, the arrangement was most unwise, linking as it did the interests of the agents and the officials of the Organisation. The not infrequent instances, which even arise today of the staff sharing commission with the Authorised Agents are partly, if not wholly, attributable to this system.

With the end of the Second World War the effort slackened, and disturbed conditions in some parts of the country affected collections. Defence Savings Bank Deposits (which had never been able to gain ground) were discontinued in July 1946. The noticeable fall in collections, which took place in the immediate post-war period, increased the cost of the organisational set-up from about 2% of the total collections to almost double that figure.

III

A reorganisation of the National Savings Organisation was brought about in June 1948. The control of the provincial staff was taken over by the National Savings Commissioner on behalf of the Central Government. The authorised agency system was discontinued and paid District Organisers were appointed. The payment of bonus to officers of the Department was stopped and the practice of reimbursing for the working expenses to Princely States was discontinued. Additional staff for the provinces was sanctioned and the personnel at the central headquarters was reinforced. With a view to broadbasing the Movement, two new types of National Savings Certificates (namely, the 5-Year and the 7-Year series having no lock-up period) were introduced in 1948-49. A third—the 10-Year Treasury

Savings Deposit Certificate—was introduced in 1951, to suit those small savers who wanted a regular income from their investments. Of these new securities, the 5-Year National Savings Certificate, introduced in 1948, did not prove very popular and was discontinued in the middle of 1953. Still another security—the 15-Year Annuity Certificate—was offered to the small saver in August 1954, with accruing interest at a little over $3\frac{1}{2}\%$ per annum being returnable in equated monthly instalments spread over 15 years. A little later, a new security—10-Year National Plan Certificate—also became available to small savers. This Certificate yields $4\frac{1}{2}\%$ per annum at maturity and is open for subscription to individuals only.

Unfortunately, during its first two years the reorganisation did not prove very effective. With the transfer of control of the Scheme to the Centre, the State Governments began to lose interest. In Princely States there were no field workers. While Authorised Agents were dispensed with, no steps were taken to appoint paid field organisers in their places. The Provincial National Savings Officers were uncertain about their future, as the Union Public Service Commission had yet to confirm their appointments, or make fresh recommendations to replace them. The Assistant National Savings Officers, who lost the bonus of pre-organisation days, were feeling disgruntled. There was also delay in recruitment of field staff, and some of those appointed in haste were not up to the mark. Inefficiency and irregularities were also manifest. Thus, towards the end of the year 1949-50, the National Savings Organisation was at its lowest ebb. There was a general feeling that this Organisation had outlived its utility. In fact, in 1949, the Economy Committee set up by the Government of India recommended the winding up of the Provincial organisations and opined that only a nucleus staff need be retained at the Centre.

IV

To rejuvenate the Small Savings Movement it became necessary to launch a concerted drive to improve collections. The Authorised Agency System which had been discontinued in June 1948 was reintroduced in a modified form on an experimental basis in the States of Bombay, Madras and West Bengal in 1951. Three years later, the General Agency System was extended to all States (except Mysore, Hyderabad,

Bilaspur and Tripura) and the rate of commission was reduced from $2\frac{1}{2}\%$ to $1\frac{1}{4}\%$. At about the same time, to tap the resources of the rural people, extra Departmental Branch Post Masters were authorised to be appointed as Agents, and other Rural Agency Schemes, *i.e.*, Union Board Presidents Agency Scheme, and Panchayat Agency Scheme, were also introduced as an experimental measure in certain States.

It was further realized that the stability and intensification of the Movement—so as to reach the remotest corner of the country—could be effective only with the cooperation of the State Governments. Towards this end, targets of collections were fixed for each State and it was agreed, in the Conference of the States' Finance Ministers held in October 1952, that, subject to certain conditions, the excess of the collections over the targets would be made available to all Part 'A' and 'B' States as 'loans' for financing their development plans. As regards Part 'C' States, the collections in these States, it was stated, would be taken into account in allotting funds for such expenditure.

Apart from this important step for arousing the interest of State* Governments in the active functioning of the Small Savings Schemes, several other measures were also taken to impress on them the need of stepping up Small Savings collections. They were requested to set up their own Directorates of Small Savings and State Savings Advisory Committees. The U.P. and M.P. have, in fact, set up such Directorates and it is expected that, in due course, the other bigger States would follow suit. The Advisory Committees have been established in Rajasthan, Madhya Pradesh, Andhra, Assam, Vindhya Pradesh, Hyderabad, Saurashtra, Orissa and Delhi.

To suit those small savers who wanted a regular income from their investments the 10-Year Treasury Savings Deposit Certificate was introduced in 1951. A new security—in reality an adjunct to the National Plan Loan—was made available to the small saver in May 1954. This was the 10-Year National Plan Certificate yielding $4\frac{1}{2}\%$ per annum at maturity—open for subscription to individuals only and not to institutions. Still another security, the 15-Year Annuity Certificate was offered to the small saver in August 1954,

* The reference in this article to the States is as they existed before the recent reorganisation, *i.e.*, prior to the 1st November, 1956.

with interest at a little over $3\frac{1}{2}\%$ per annum and being returnable in equated monthly instalments spread over 15 years.

IV

Though the Small Savings Movement in India has so far depended almost entirely on Government initiative and direction, the key-note of its success lies in the cultivation of a *voluntary* habit of savings among the people. That compulsory schemes for savings were likely to do more harm than good was amply demonstrated in 1949 when a bold step was taken by Government in passing an Ordinance to the effect that a part of the bonus due to Textile Mill workers in Bombay State would be payable in the form of 12-Year National Savings Certificates. The Ordinance aroused resentment and a good deal of agitation followed. Government was forced to amend the Ordinance, so as to cover also the 5-Year and 7-Year National Savings Certificates which had no 'lock-up' period. Recipients of bonus took payment in these Certificates and lost no time in encashing them. In fact, the stampede for encashment which followed was so great that at one or two places the police had to resort to a mild lathi-charge. Thus ended an experiment in compulsory propagation of Small Savings, which though laudable in its aim, turned out to be wrong in its approach. A good deal of effort and money were wasted but the lesson was learnt that in the democratic set-up of our country, the Small Savings Movement must run on a purely voluntary basis.

A very important and from a long-range point of view what may well turn out to be a most eventful development was the starting of the Women's Savings Campaign in 1953. A Saving Fortnight was observed by women in March 1953 at selected centres throughout the country and its success led the Government to put the campaign on a regular all-India basis. A Central Advisory Committee was formed to which each State sent a zonal representative. The new body was the first organised non-official effort to promote savings in the country. The campaign has now been re-organised with a view to its extension and intensification.

The tapping of Small Savings has recently come to attract special attention. The Indian National Congress, at its session held at Amritsar in February 1956, passed a resolution emphasising the importance of Small Savings. A Sub-Committee of the Congress has gone into the question of find-

ing ways and means of propagating national savings. The Government of India have announced the formation of an All-India Advisory Committee to coordinate the activities of the State Committees and to advise the Central Government in the collection of Small Savings. It is now universally conceded that as many non-officials of influence as possible should be associated with the Movement. Greater thought is also being given to the needs of specialised publicity so as to bring home to every individual the importance of Savings in the context of national development.

V

Today the National Savings Organisation is headed by a National Savings Commissioner for India, who is assisted by a Secretary. The posts of a Joint and a Deputy National Savings Commissioner and two Zonal Commissioners have recently been sanctioned by the Ministry of Finance, but appointments for these have still to be made. There are Regional National Savings Officers in nearly all States and Deputy Regional National Savings Officers in some of them. Some additional posts of Deputy Regional National Savings Officers have also been recently created. Below these principal regional officers are Assistant National Savings Officers and District Organisers, their number varying from State to State. The strength of field staff has been increased to cope with the increasing tempo of this work, and there are, on an average, two District Organisers per district.

Before the recent increase in the strength of the field staff, an Assistant National Savings Officer used to be in charge of the work of six or seven districts. His jurisdiction thus corresponded roughly to a Revenue Commissioner's Division. With the recent increase in the number of Assistant National Savings Officers his work has been reduced and he now covers about 4 districts. He is, however, a non-gazetted officer. He has constantly to remain in close touch with district officials, but lacking, as he does, a gazetted status, he does not command the prestige necessary to enable him to pull his weight with these officials. The scale of the Assistant National Savings Officer's post has recently been increased from Rs. 200-10-300/15-360 to Rs. 200-10-300/15-450.

District Organisers, as their designation implies, are in charge of revenue districts. The minimum of the scale of

pay for this cadre was recently raised from Rs. 80/- to Rs. 105/- and goes up to Rs. 220/- p.m.

One of the major personnel problems today is non-availability of persons of the required calibre to man supervisory posts, particularly those of Assistant National Savings Officers and District Organisers. Candidates available through normal channels of recruitment have been found in most cases to be either raw graduates or persons lacking in experience or aptitude for savings work. The percentage of graduate District Organisers in 1948 was about 40. It now stands at over 50, but the emphasis has now shifted from academic qualifications to qualities and attributes needed for public relations work.

Despite the handicaps under which the Organisation has been working, it has, in recent years, made remarkable progress. The figures below show the increase in net collections in Small Savings during the last five years :

Year	Net collections in Small Savings Rs. (in crores)	National budget (Central Govt.) Rs. (in crores)	Percentage of Small Savings collections to the National Budget estimates (approx.)
1951-52	38.58	525.43	7.35
1952-53	40.55	575.44	7.04
1953-54	39.52	748.97	5.27
1954-55	55.30	873.71	6.32
1955-56	69.19 Estimated	1,131.37	6.11

In reviewing the work of the Organisation the benefits accruing to the individual savers should also be taken into account. It is very difficult to assess real benefits in terms of additional necessities and comforts of life obtained and the increased happiness and social status which go with better monetary position. The habit of saving, once cultivated, grows and spreads over a wider area and is one of the greatest assets of a nation.

In any administrative organisation there is always a need for a continuous review of its past performance and for measures to improve the efficiency and effectiveness of its work. This is all the more necessary, in cases like that of the N.S.O., where success of the programme of the agency depends, to a large measure, on the cooperation of the people. Not

the needs of the people but also the reactions and attitudes have a bearing on the pace of the implementation of the programme. To make the Small Savings scrips more popular, it will therefore be necessary to undertake many-sided improvements, such as offering diversified investments to suit varied needs, special efforts to tap savings of wage-earning classes and a concerted drive to collect Small Savings from rural areas.

The first of these—catering to the investment needs of different sections of the population—is constantly under review, and two new securities were added recently, namely, the 15-Year Annuity Certificates and the 10-Year National Plan Certificates.

Regarding the wage-earners, Government have decided to appoint 'internal' agents in all Government and non-Government offices, establishments and mills to promote the formation of regular Small Savings groups in places of work. Under this scheme, about 4 million new savers will be covered during the next year.

The tapping of rural savings is considered essential, especially in view of the recent shift of income from urban to rural areas. With the cooperation of the Ministry of Community Development and the State Governments, suitable schemes for collecting rural savings are being worked out.

VI

A national effort for mobilisation of Small Savings can, in the last analysis, be successful only if mass consciousness is aroused in this direction. A country-wide movement, somewhat on the same lines as the Bhoodan Movement, requires to be launched to instil in the people a new patriotic faith—a sort of religious obligation that each one who earns, or who receives any gift of money, invest a portion of it in securities offered to small savers. Here is solid national work to which every national-minded Indian can devote some of his/her time and energy, for it is a work the value of which all political parties recognise and appreciate without any differences whatsoever. And it is work which can effectively be tackled only by an army of social workers—millions of men, women and children giving to it a labour of love that is beyond the powers of any Government to provide !

Editorial Notes

WITH the publication of this issue, the *Journal* completes two years of its life. It has been a period of growth marked by some trial and error and also some growing pains. However, the Editorial Board have always been unceasing in their efforts to increase the quality and usefulness of the *Journal* and are grateful for the response and encouragement received from the Indian and foreign readers.

We are specially happy to be able to reproduce in this issue the article "How to be Interviewed" which was originally published in the *Public Personnel Review* (October, 1954), the quarterly organ of the Civil Service Assembly of U.S. and Canada. The "Personality Test" or interview has come to play an increasingly important part in the competitive examinations and other recruitment operations conducted by the Union and State Public Service Commissions. The examination season is now in full swing and the article should prove to be of special interest and benefit to the thousands of candidates participating in the process of the annual replenishment of the public services throughout the country.

Commencing from the next issue, we propose to introduce two new sections, (1) a list of important reports of the Central and State Governments published in India during the quarter, and (2) a digest of selected articles of administrative interest, published in various periodicals.

--Editor

DIRECTOR'S REPORT

(September—December 1956)

I. Institute's Premises

The Institute moved into new premises at 6, Bhagwandas Road, New Delhi, in the first week of October, 1956. The new premises enable the Research Division, (till now located on Curzon Road), also to be in the same building as the Library and the Office, and has a conference hall where the lectures of the Institute can normally be held in future. The new premises should be sufficient for the work of the Institute till its own building is ready.

II. Foreign Contacts

The Director and the Treasurer attended the triennial Congress of the International Institute of Administrative Sciences at Madrid from the 2nd of September till the 9th. From there they proceeded to the U.S.A., at the invitation of the Ford Foundation, (through the International Institute of Education), to study the system of teaching of, and research in, public administration in the U.S.A., and the administrative system in general. Prof. Menon and Mr. Bapat toured the United States between the 10th of September and the 13th of October, visiting Government offices, (especially in New York State and the federal capital of Washington), universities, independent Institutes of Public Administration and organisations like the Public Administration Clearing House, Chicago. They also attended the fiftieth anniversary meetings of the Civil Service Assembly at Washington. On the 13th Mr. Bapat returned to India.

Prof. Menon continued his tour of the universities especially those of the West Coast and paid brief visits also to Ottawa and Toronto. During this period Prof. Menon also attended the Eastern Regional Conference of the American Society for Public Administration. On the 7th of November, Prof. Menon proceeded to England where he paid visits to the Royal Institute of Public Administration and, near London, the Administrative Staff College at Henley. During his stay in London, Prof. Menon also paid a visit to the Nuffield College at Oxford. Leaving England on the 13th he visited, on the way back to India, the International Institute of Administrative Sciences at Brussels and the Ecole Nationale d'Administration and associated institutions in Paris. He returned to New Delhi on the 20th of November. A full report of the tour is being prepared by Prof. Menon and Mr. Bapat.

III. Budget Estimates for 1957-58

Estimates of expenditure for the year 1957-58 amount to a total of Rs. 20.7 lakhs—Rs. 5.7 lakhs on recurring items and Rs. 15 lakhs on non-recurring. The estimates on recurring expenditure show a small increase over the corresponding approved grant for the current year (1956-57), which is on account of new schemes like short-term training courses and visiting professors and an expanded programme of publications.

Non-recurring expenditure includes Rs. 14 lakhs for the building programme and Rs. 1 lakh for the Library. During the year 1957-58, the construction of the Institute's building will be taken up and preparations for the starting of the School will be making progress in respect of staff and accommodation.

IV. Research Projects

(1) In pursuance of the decision of the Committee of Direction, work has started on the preparation of monographs on (i) State Enterprises in India, and (ii) Public Services in India.

(2) A study on the *Machinery of the Government of India* was undertaken by the Institute in the beginning of 1956. This study is nearing completion and expected to be published early next year. The publication would include a detailed description of the origin and development, structure, functions and programmes of all the Ministries and allied agencies of the Central Government. A brief account of the existing systems of personnel management, financial control, office procedure and methods of work will also be included.

(3) The Executive Council has approved the proposal for the appointment of a Chief Research Officer to be in charge of the programme of research and studies. A suitable person with adequate qualifications and experience will be recruited shortly.

V. The Higher Teaching of Administrative Sciences

The Institute has sent a detailed reply to the enquiry made by the International Institute of Administrative Sciences on behalf of the UNESCO on 'The Higher Teaching of Administrative Sciences'.

VI. Lectures

Mr. Andre Bertrand, Director of Studies, Ecole Nationale d'Administration, Paris, addressed a gathering of the members of the Institute on 'Recent Trends in Public Administration in France' on Friday, the 30th November, 1956, at the Institute's premises. About 200 members attended.

VII. Visits

Dr. Stevenson and Mr. Goodnow, Adviser and Lecturer respectively at the Institute of Business and Public Administration, Karachi, paid a visit to the Institute's Office and Library in November 1956. Dean Spaeth of the School of Law, Stanford University, accompanied by Mr. Merillat of the Ford Foundation, New York office, also paid a visit in the same month.

VIII. Library and Information Services

Subscriptions for eight additional periodicals have been entered by the Library and sixteen more journals are now received on mutual exchange. The total number of journals at present received in the Library is as follows :

- | | |
|--------------------------|----|
| (1) Free of cost..... | 48 |
| (2) Mutual exchange..... | 73 |
| (3) On payment..... | 47 |

About 500 new volumes were added to the Library during the last 3 months. As a result of the contacts established by the Director during his recent tour abroad, it is expected that publications and research reports

of the foreign sister organisations and university institutes of public administration will now be received in the Library on a regular basis. Some of these are already on the way.

A revised sum of \$5,000 has been sanctioned under the India Wheat Loan Educational Exchange Programme for the purchase of books and documentation on public administration published in the United States. A list of publications has already been supplied to the authorities. These, when received, will considerably strengthen the collections of the Library.

IX. Amendment of the Rules of the Institute

In the last report, a summary was given of the changes made by the amendment of the Rules of the Institute at the Special Meeting of the General Body held on the 25th August, 1956. The full text of the amendments passed at that Meeting is reproduced below :

Resolution adopted at a Special Meeting of the General Body held on the 25th August, 1956.

Resolved that the Rules of the Indian Institute of Public Administration shall be amended with immediate effect as follows :—

(A). In rule 1,—

(i) after clause (f), the following clause shall be inserted, namely :—

“(f. a) ‘Associate Member’ means an Associate Member of the Institute, admitted as such under these Rules;”

(ii) for clause (g), the following clause shall be substituted, namely :—

“(g) ‘member’ does not include a Corporate Member (except in the expression ‘member of the General Body’) or an Associate Member.”

(B) After rule 5, the following rule shall be inserted, namely :—

“5A. Associate Members.—The Executive Council may, on application in the prescribed form, admit as an Associate Member of the Institute a *bona fide* post-graduate student interested in the study of Public Administration, and the rights and privileges of an Associate Member shall be as prescribed.”

(C) For rule 9, the following shall be substituted, namely :—

“9. Vice-Presidents.—Six Vice-Presidents of the Institute shall be elected by the members of the Executive Council referred to in clauses (i) and (iii) to (v) of rule 13 and shall hold office for a term of two years but shall be eligible for re-election :

Provided that the term of office of such three of the Vice-Presidents elected in the year 1956 as may be determined by the Chairman of the Executive Council by drawing lots in the presence of the Treasurer and the Director in such manner as he may deem fit, shall expire on the 31st day of March, 1957.”

(D) For rule 10, the following rule shall be substituted, namely :—

“10. Honorary Treasurer.—The Honorary Treasurer of the

Institute shall be elected by the Executive Council from amongst the members of the General Body and shall hold office for a term of two years from the date of his election, but shall be eligible for re-election :

Provided that an Honorary Treasurer shall, notwithstanding the expiration of his term, continue to hold office until his successor enters upon his office."

(E) For sub-rule (1) of rule 13, the following sub-rule shall be constituted, namely :—

"(1) The Executive Council of the Institute shall be composed of :—

- (i) President of the Institute (*ex-officio*);
- (ii) Six Vice-Presidents of the Institute (*ex-officio*);
- (iii) Honorary Treasurer of the Institute (*ex-officio*);
- (iv) Chairman of each of the Regional Branches (*ex-officio*) or his representative;
- (v) Twenty one members elected and co-opted as provided in rule 14; and
- (vi) Director of the Institute (*ex-officio*)."

(F) In rule 14—

- (i) in sub-rule (1), for the word 'fifteen', the word 'sixteen' shall be substituted.
- (ii) for sub-rule (2) the following sub-rule shall be substituted, namely :—

"(2) of the elected members of the Executive Council, at least four shall be in the service of the Government of India or of the Government of a State and at least three shall be in the service of local authorities, statutory corporations or Government Companies."

- (iii) after sub-rule (4) the following sub-rule shall be inserted, namely :—

"(5) Elected members of the Executive Council shall hold office for a term of four years from the date of their election and the co-opted members shall hold office for a term of one year from the date of their co-option :

Provided that the term of the office of such seven of the Members elected in the year 1956, as may be determined by the Chairman of the Executive Council by drawing lots in the presence of the Treasurer, the Director and two other elected members, in such manner as he may deem fit, shall expire on the 31st day of March, 1958."

(G) In clause (viii) of sub-rule (2) of rule 18,—

- (i) after the words 'the Regional Branches' the words 'the Local Branches' shall be inserted;
- (ii) after the words 'the Standing Committee', the words 'for regulating the rights and privileges of Associate Members', shall be inserted.

(H) For rule 19, the following shall be substituted, namely :

"19. *The Standing Committee.*—The Executive Council shall appoint a Standing Committee from amongst its members to attend to and to dispose of the current business of the Institute on its behalf. The strength of the Standing Committee shall be such as the Executive Council may from time to time determine. A member shall cease to be on the Standing Committee on his ceasing to be a member of the Executive Council."

(I) In clause (a) of rule 20 the words 'and Honorary Treasurer' shall be omitted.

(J) In rule 24 for the word "thereof" the words "of the General Body" shall be substituted.

(K) For rule 25, the following shall be substituted :—

"25. No business other than the business included in the notice convening the meeting or business of which notice has been given to the Director at least seven days before the day of the meeting, shall be discussed in the meeting except with the permission of the Presiding Officer."

(L) For rule 27, the following rule shall be substituted :—

"27. (1) The Executive Council may constitute or cause to be constituted a Regional Branch for any State or a group of States and one or more Local Branches for any area within any State.

(2) Subject to the provisions of bye-laws made by the Executive Council, each Regional Branch and a Local Branch shall appoint its Chairman, its Secretary and its Treasurer and shall notify the appointments to the Director."

(M) In rule 28, after the words "and each Regional Branch" the words "and each Local Branch" shall be inserted.

(N) In rule 29, after sub-rule (2) the following sub-rule shall be inserted, namely :—

"(2A). The annual subscription for Associate Membership shall be Rs. 12/-."

(O) In rule 31, for sub-rule (2) the following sub-rule shall be substituted, namely :—

"(2). No member whose annual subscription remains unpaid after the 15th day of February in any year shall be eligible to seek or vote at any election and no member whose annual subscription remains unpaid after the 31st day of March in any year shall be entitled to any rights or privileges of membership until all his dues are fully paid."

(P) In rule 35, the words "of the General Body" shall be omitted.

News from India and Abroad

I. INDIAN

Directorate of Manpower constituted at the Centre

In September 1956, the Cabinet constituted a committee to consider the problem of manpower in an integrated manner—its proper planning and organisation to meet the immediate as well as the long-term requirements. It has now set up a Directorate of Manpower in the Ministry of Home Affairs which will provide the secretariat for the Cabinet Committee on Manpower and keep liaison with the various central Ministries and agencies and the State Governments, in particular with the appropriate divisions of the Planning Commission and the Scientific Personnel Committee of the Council of Scientific and Industrial Research. It will also follow up the implementation of the decisions of the Cabinet Committee. Each Ministry has been asked to designate a senior officer to deal with its manpower problems.

Separate Ministry of Community Development

Realising the growing magnitude and importance of the work of community development, the Government of India have constituted a new Ministry of Community Development which will transact the business previously handled by the Community Projects Administration. The new Ministry will work in full cooperation with the Ministry of Food and Agriculture and take advantage of the resources of that Ministry, if necessary. This is essential in view of the highest priority given in the Second Five Year Plan to increased production of food which, in turn, requires the launching of a special drive in the community project areas and in national development blocks.

Committee on Plan Projects

The Government of India have set up a high-powered Committee on Plan Projects with the objects of (i) initiating studies to evolve suitable forms of organisation, methods, standards and techniques for achieving economy, avoiding waste and ensuring efficient execution of projects; and (ii) promoting the development of suitable machinery for continuous efficiency audit in individual projects and in agencies responsible for their execution.

Apart from the Union Home Minister, who is Chairman of the Committee, its members include the Union Ministers of Planning and Finance and the Deputy Chairman of the Planning Commission. All projects in the Plan, industrial and non-industrial, have been divided into six main groups. Two Chief Ministers of States for each of the groups will be members of the Committee. Another member of the Committee will be the Union Minister concerned with a project or a group of projects under investigation.

National Council for Training in Vocational Trades

The Government of India have set up a National Council for Training in Vocational Trades in pursuance of the recommendations of the National Trades Certification Investigation Committee and the Training and Employment Services Organisation Committee. The Council is responsible for the establishment and award of National Trades Certificates for craftsmen, the prescription of standards and curricula for craftsmen training in the technical and vocational trades of national importance throughout the country, and for giving advice and assistance to the Central Government on the overall training policy and programmes.

Civil Services Joint Council in Madras

The Government of Madras have set up a Civil Services Joint Council on the lines of Civil Services Whitley Councils functioning in the United Kingdom. It consists of fourteen members, one half to be appointed by the Government to represent the official side and the other half by recognised Service Associations. Its aim is to secure the greatest measure of cooperation between the Government and the general body of civil servants in the state in matters affecting the Civil Service, to increase efficiency in the public service combined with the well-being of those employed, to provide machinery for dealing with grievances, and generally to bring together the experience and different points of view of representatives of the administrative, clerical and other services.

Advisory Committees for Special Officers in Districts of Andhra

The Government of Andhra have constituted advisory bodies consisting of one Harijan, one woman, three Presidents of Panchayats in the District and all the ex-presidents of the District Board, to advise the District Collectors in their capacity as the Special Officers of the District Boards on all the subjects which are not of a confidential nature, and, if the Special Officers have no objection, even on the Budget and Administration reports. The Committee's views will be given the same weight as is accorded to the resolutions of the District Board. All cases, in which the Special Officers decline to carry out the advice of the Committee, will be brought to the notice of Government through the Inspector-General of Local Administration.

Higher Status and Powers for the Madras Legislature Secretariat

Through a recent order the Government of Madras have raised the status of the Legislature Department and have brought it on par with other departments of the State Government. The Secretary to the State Legislature will be the Head of the Department just as the Secretaries to other Departments of the Secretariat, and will have similar status and powers. All the proposals emerging from this Department will have to be routed through the Speaker of the Legislative Assembly and the Chairman of the Legislative Council, and submitted, together with their recommendations, to the Cabinet. The idea is that the Speaker/Chairman should also be associated in the proceedings, the final decision in financial matters however resting with the Cabinet. Moreover, the Speaker and the Chairman will now be treated on par with the Ministers in respect of all privileges and concessions.

Interview for Promotion on Merit

The Government of **Uttar Pradesh** have decided that all candidates, whose cases fall within the purview of the Public Service Commission in respect of their promotion on the basis of merit, will be interviewed by a Committee presided over by a representative of the Public Service Commission.

Prison Reforms in West Bengal

The Government of **West Bengal** have decided to make use of modern testing techniques to find out the work-interests of the convicts in the Alipore Central Jail. A vocational counselling scheme aimed at suggesting the appropriate employment for each prisoner and the areas of activities which will successfully release and substitute the prisoner's emotional leanings has been prepared. The tests to be administered include individual verbal intelligence test, individual performance test battery, special aptitude test battery, temperamental test battery, drawing a cartography of the personality, and follow-up studies.

Reducing the Yardage of Red Tape

With a view to curbing the tendency either to avoid responsibility or to assume too much responsibility in respect of the disposal of cases at various levels, the Government of **Rajasthan** have issued orders that a case should not be normally seen by more than two officers (including the Minister) beyond the stage of the Dealing Clerk. The levels at which decisions are to be taken on cases of varying importance have also been clearly defined to reduce any vagueness.

II. FOREIGN

1. CANADA

Equal Pay for both Men and Women

The Female Employees Equal Pay Act which came into force on October 1, 1956, provides that female employees doing identical or substantially identical work to that being done by male employees shall not be paid at lesser rates of pay. This applies to all the enterprises which come within the federal jurisdiction, viz., railways, water transportation, navigation and shipping, canals, telegraphs, airlines, radio banks and other works of inter-provincial or international nature or which have been declared to be for the general advantage of Canada or of two or more provinces.

2. INDONESIA

First Public Administration Faculty

A Public Administration Faculty, the first of its kind in Indonesia, was opened in the Krisnadwipajana University at the Adhuc State in Surabaya recently. The Dean of the Faculty is Dr. Prajudi.

3. UNITED KINGDOM

Civil Service Pay Research Unit

In pursuance of the recommendations of the Royal Commission on the Civil Service, a Civil Service Pay Research Unit headed by a Director, has been established under the general control and direction of the Civil Service National Whitley Council. A controlling committee, with the primary function of approving the lines along which the complementing grading and appointment of staff shall be carried out, has also been appointed.

New Scheme for the Oversea Civil Service

To meet the situation arising from the rapid growth of self-government in the colonies, the British Government have announced a new scheme for future recruitment to their Oversea Civil Service. Lists will be prepared of persons who are willing and available to accept service overseas, and if the demand rises to substantial proportions and regular employment for a number of years can be foreseen, they will come into the regular employment of the United Kingdom Government for service overseas.

The officers seconded will serve on salaries and conditions prescribed by Her Majesty's Government in the United Kingdom after consultation with the employing Government. Their pensions and any compensation payments for which they may qualify on retirement will be paid to them by Her Majesty's Government in the United Kingdom and recovered from the employing Government.

The employing Government will be asked to agree not to terminate the secondment of an officer (except in cases of ill-health, misconduct or inefficiency) without giving one year's notice, and nor to introduce any scheme of reorganisation which might involve terminating the secondment of a considerable number of officers.

Where constitutional changes take place which fundamentally affect the conditions of serving officers, compensation schemes have been and will be negotiated with the Governments concerned, and in territories where acute staffing difficulties exist, special arrangements will also be made to help create conditions which will encourage officers to remain.

Tax Course for Overseas Specialists

Twenty-seven specialists selected from 14 countries including 6 from India are attending a course of study and observation of the administration and collection of central and local government revenue in the United Kingdom. The course has been specially designed for overseas officials in collaboration with the Treasury, the Board of Inland Revenue, the Board of Customs and Excise and the Institute of Municipal Treasurers and Accountants.

4. UNITED STATES

Establishment of a National Committee of Scientists and Engineers

The President of the United States has established a National Committee of Scientists and Engineers, comprised of representatives of major

citizens' organisations to foster the development of more highly qualified technological manpower. All departments and agencies of the government have been directed to cooperate fully with the Committee and to re-evaluate and strengthen their own activities which can contribute to the development and effective utilization of scientists and engineers. Staff services for the Committee will be provided by the National Science Foundation which will also provide leadership to other departments and agencies in carrying forward those activities which will contribute to the solution of the problem of manpower shortage. Dr. Howard L. Bevis, President of Ohio State University, has been appointed chairman of the Committee.

Study of Salaries Paid by the Private Industries in Technical Professions

The U.S. Civil Service Commission, with the cooperation of other Federal agencies, are conducting a study of salaries paid by private industry to employees in certain engineering and scientific professions with a view to developing sound comparisons with salaries paid by the Government at different levels of technical responsibility. Data on pay and pay practices will be gathered in twenty or more geographic areas from employers engaging substantial numbers of scientific and engineering personnel.

Training for Overseas Public Service at Syracuse University

With the support of the Carnegie Corporation of New York, Mr. Harlan Cleveland, Dean of the Maxwell School of Citizenship and Public Affairs, is directing a two-year research study at Syracuse University concerned with the education and training of Americans for public service overseas. Chief of staff will be Professor Gerard J. Mangone.

Students' Recruitment to Ministerial Posts

In Los Angeles County, a new programme aimed at recruiting high school seniors to typist and stenographic positions has been developed. Examinations for the clerical positions are held at School about six weeks prior to final examination, and firm jobs are offered within a few days after the results of the written examination and oral interviews are known.

Students' Participation in City Departments

The Government of Middletown, O., in cooperation with a local high school, has sponsored an intern programme in which senior students are to spend voluntarily two or more afternoons after school hours in city departments. The purposes of the programme are (i) to acquaint the students with the activities of the city government and indirectly to acquaint their parents with these activities, and (ii) to interest students in a possible career in municipal government. The students are assigned to the departments they choose. After one to six weeks' training in any particular department, they are transferred to other departments and thus get a broader view of the working of the city government. A similar ten-week study programme for the college students of the New York State was sponsored by the State Government during the last summer. The programme was designed to stimulate undergraduate's interest in State Government careers and to provide an on-the-job look at career opportunities to the students.

Digest of Reports

INDIA. PUBLIC SERVICES (QUALIFICATIONS FOR RECRUITMENT) COMMITTEE. 1956. 28p.

The Committee was appointed by the Government of India in 1955 to examine the extent to which a university degree should be regarded as a pre-requisite qualification for recruitment to the public services, and to make recommendations on matters such as the standard of the competitive examinations to assess the merit of the candidates in the absence of a university degree and to ensure that the number of candidates competing for Government posts is not wastefully large. The important recommendations of the Committee are :

Qualifications for Recruitment

While taking cognisance of the widespread feeling that insistence upon degree for entry to Government services is unduly restrictive, the Committee feels that university degrees cannot and should not be dispensed with entirely.

For purposes of determining educational qualifications necessary for recruitment, public services have been divided into three categories : (a) Senior Officers—Executive and Administrative; (b) Junior Officers—Executive and Administrative; and (c) Clerical Services.

University degree should definitely not be insisted upon for the clerical services. Further to discourage graduates from entering the clerical services the age limits for entry to these services should be 17-19. For the middle category the university degree should not be made the minimum qualification, but graduates should be given an opportunity to compete, if they so desire. The age limits for this group of services should be 19-21. Entry to the topmost services should be restricted to graduates of the age level 21 to 23.

The above scheme of minimum qualifications for recruitment aims at reducing the rush of students at the universities, to place university degree in its proper perspective in relation to employment opportunities, and to give wider opportunities to people who cannot take up university studies to enter public services. These recommendations take into account the requirements of the new system of secondary education which is coming in force gradually.

Three members of the Committee have dissented from the above viewpoint and hold that a university degree should not be insisted upon even for the highest administrative services. They feel that if the competitive examinations for public services are planned and conducted in a proper manner, the apprehensions regarding the lowering of standards in public services would not materialise.

Recruitment Examinations

Recruitment examinations of adequate standard should be held for all levels of Government service. The examinations should be of comprehensive nature and should test the mental qualities rather than merely the memory or the fund of information of the candidates. Every paper in the examination for the higher services should be of the Honours standard and every candidate for such services should be required to take at least two subjects. The questions should deal with the significant phases of the subject and emphasise evaluation and rational thinking. They should compel the candidates to integrate their ideas and draw upon the entire background of their knowledge and also test the candidates' reaction to different circumstances. The questions should also test the mental alertness of the candidates and offer scope for originality of thought and expression.

In addition to these tests, there should also be some test for judging the personality, attitude and aptitude of candidates. Their past career may offer some insight into these, and in addition, the first three months of the probationary period should be used for forming a correct idea about their personality. Obviously, unsuitable candidates may during these three months be weeded out by a properly constituted Board in consultation with the Public Service Commission. One way of ensuring that the candidates derive full benefit from their period of probation may be to evaluate their achievements during this period and add it to the competitive examination marks for determining their final ranking in the services.

Method of Promotion

It should be open to every individual in the Public Services to rise to the highest post available on the basis of his merit. Unless such prospects are available, frustration is bound to creep in, which would reduce the value and efficiency of the Service. It should therefore be ensured that promotions are not denied to non-graduates merely because of certain prejudices against such persons. Periodical reviews of promotion prospects should be undertaken on the basis of actual experience. As far as possible promotion from grade to grade should be made on the basis of departmental examinations. The system of departmental examinations should be utilised to a larger extent than it is at present, especially in established cadres. The Government should therefore not only review promotion quotas at present fixed but also undertake re-examination of the methods of promotion, and, to the extent possible, institute departmental examinations particularly in respect of organised services.

Training

(i) The training of recruits has not kept pace with the very much increased rates of recruitment to the expanded services. The administrative problem of training which the expansion of services has created is not only highly important but a very complicated one. A proper scheme of training for all levels of Government services should be formulated and implemented by the Governments both at the Centre and in the States.

(ii) For the lower levels of Government service, particularly at the clerical level, training should be organised on a decentralised basis. It

should be given in the districts, preferably at one centre for a group of districts. The period of training should be at least one year and should consist not only of professional items such as typing, maintenance of files, noting, drafting etc., but also instructions in general subjects aimed at giving the recruits a general education to make them good clerks as well as useful citizens. A similar scheme should also be adopted for the higher levels of Government services.

(iii) The Committee does not agree with the view held in certain quarters that it would be useful to entrust the training of senior officers like those of the All-India Services to some selected universities. The balance of advantage, the Committee feels, lies in the Governments themselves organising courses of training with such help as may be necessary from the universities. Social subjects, particularly Economics, are of the highest importance in the present context in the matter of administration. To a lesser extent knowledge of Law is essential for the administrative services. Instructions in these subjects may well be arranged in cooperation with the universities.

(iv) For the highest executive and administrative services, a period of training abroad after they have seen different parts of India would be highly useful. This will not only help to broaden the outlook of the recruits generally but also help to develop an All-India outlook, by enabling them to view our own country from outside, and give them a more correct perspective of her needs and aspirations.

Limitation of Numbers

If non-graduates are allowed to compete for the various services, larger numbers would apply for these services than would have been the case if applicants were limited to graduates. This increase in numbers may well create a serious administrative problem. The task of maintaining uniformity in examination standards would raise issues of considerable complexity. A preliminary examination should be held for weeding out the candidates. It should consist of one or two simple written papers which would test the general alertness and mental calibre of the candidates concerned.

University Standards

There is lack of uniformity in the standards of various universities all over the country. The problem is complicated and a solution must be left to the authorities in charge of higher education in this country. The recruiting authorities like the Public Service Commissions may help considerably in devising an objective standard for assessing the value of education given by the different universities and thus help the authorities concerned to introduce some uniformity in this respect. The Public Service Commissions should publish annually tabulated results of the examinations held by them, analysing the marks obtained by candidates from the different universities in different subjects,

UTTAR PRADESH. REPORT ON TREASURIES; By Commissioner for Reorganisation. 1956. 33p.

The Government of Uttar Pradesh appointed in 1955 Shri K.K. Dass, I.C.S., as Commissioner for Reorganisation with the task of undertaking a survey of the departments of the State Government and making recommendations for their reorganisation. Besides other departments, he examined the working of the treasuries and his major recommendations in regard to their overhauling are as follows :

(1) Procedure for Depositing Money in Treasuries

(i) A very lengthy though varied procedure is followed for the receipt of money both from the individuals and the Government Departments. In an ordinary case it generally takes 4 steps for the money to be received. Besides, the depositor has to go to at least three offices and waste a good deal of time.

The Report divides the payers (not the Government Departments) in two broad categories : (1) those who have to pay periodically like sales tax, entertainment tax, excise duty, etc., and (2) those who pay occasionally such as the payment of fees to the Public Service Commission. In the latter case, it has been recommended that the Departments should issue *chalans* to intending depositors. The major and detailed head and all other particulars should be filled in, so that all the party has to do is to sign his name or affix his thumb impression and make just one trip to the Bank or the Treasury. For the second category, the Departments should arrange to receive payment in any form in which it is tendered through mutual arrangements with the post offices and the banks.

(ii) As a security measure, National Cash Registers should be maintained by all the Departments who receive large number of payments in cash. Such registers should be used by the banks also for receiving payments meant for Government Departments. This will save staff, and above all, enable the depositor to get his receipt immediately, instead of having to go from counter to counter.

(iii) At present payment by Government Departments is made by bills or cheques. Bills are sometimes drawn in duplicate which may lead to the second bill being cashed at the Treasury. That possibility can be avoided by printing duplicates of bill forms in red ink with the words "not payable at the Treasury" across the form. There are at present about 20 different bill forms. They need simplification and uniformity.

(iv) If any Department wishes to make payment by cheque, it should be encouraged to do so. In the case of Departments which adhere to payment by bills, the Treasury Head Clerk should be authorised to pass bills for Rs. 200/- and below without going to the Treasury Officer.

(2) Pensions

The enquiry has revealed that the Post Office paid its own pensioners because of the numerous complaints of delay and rude treatment on the

part of the Treasury Offices. As pension payments form only a small part of the total disbursements by any Government office, the other Departments, it has been recommended, should follow the example of the Post Office.

Moreover every pensioner should be given the option of having his pension paid either at the Treasury or at the nearest disbursement office of the Department from which he retired. This new policy should not, in any way, increase the work-load.

(3) Staff

(i) Realising the heavy work at the Treasuries of Kanpur, Allahabad and Lucknow, where additional Treasury Officers have been appointed, a higher selection grade of Rs. 500-1,200 should be instituted for the senior Treasury Officers.

(ii) Members of the U.P. Finance and Accounts Service should be eligible for appointment to appropriate posts in the Finance Department.

(iii) The Treasury staff should be separated from the Collectorate staff. If the cadre is made entirely separate the efficiency of the staff will increase considerably.

(iv) Provision should be made for the direct promotion of senior Treasury Head Clerks to the posts of Treasury Officer. Half of the vacancies reserved for promotion of Office Superintendents and Treasury Head Clerks to Treasury Officers may be filled in exclusively by direct promotion of Treasury Head Clerks.

(v) In no case should the surplus staff be retrenched. They should be absorbed gradually in other Departments.

(4) Miscellaneous

The Report contains a note by Shri Virendra, Sales Tax Commissioner, Delhi (on leave), which recommends the adoption of mechanized accounting. The best time, however, to begin the experiment, it is felt, would be after decimalized currency has been introduced and sometimes after the actual simplification of the measures suggested in the Report.

U.K. COMMITTEE OF ENQUIRY INTO THE COST OF THE NATIONAL HEALTH SERVICE. REPORT. *London, H.M.S.O. 1956. xii. 309p. Cmd. 9663. 9s.*

The Committee was appointed by the Minister of Health and the Secretary of State for Scotland in May 1953, under the chairmanship of Mr. C.W. Guillebaud, C.B.E., to review the present and prospective cost of the National Health Service; to suggest means (whether by modifications in organisation or otherwise) of ensuring the most effective control and efficient use of the funds; to advise how a rising charge upon the Exchequer can be avoided while providing for the maintenance of an adequate service; and to make recommendations. Some of the important findings and recommendations of the Committee are as follows :—

The General Structure of the National Health Service

(i) *Proposed Unification of the Health Services* : If statutory *ad hoc* health authorities are appointed, as has been suggested in certain quarters, to administer the hospital, family practitioner and local health authority services, it would remove from the local health authorities their important domiciliary health services and create a division between different types of public health work at least as serious as the present divisions within the National Health Service. The only form of major reorganisation which calls for serious discussion is one which would integrate the three branches of the National Health Service without depriving the local authorities of their existing domiciliary health functions—i.e., a reorganisation which would add responsibility for the hospital service and/or the Executive Council services to the present duties of the local health authorities.

(ii) *Proposed Transfer of the Hospital Service to Local Health Authorities* : It is doubtful whether the local authority machine would be able to carry the additional burden of the hospital service. A great deal still remains to be done by the local authorities in the development of their own home health and welfare services. Some form of regional authority will always be required for the efficient planning of a national hospital service and if the service were to be managed by the local authorities, Joint Boards (or some similar bodies) would be necessary to carry out the planning function. It would simply create new problems in the relationship between Joint Boards and local authorities, instead of improving their efficiency.

(iii) *The Appointment of a National Board or Corporation* : A service which costs the Exchequer more than £400 million per year must be accountable, through a responsible Minister, to Parliament and not to a National Board or Corporation, the appointment of which has been suggested in certain quarters. The National Board would no doubt be able to make possible the interchange of staff between the central body and the authorities at all levels of hospital administration. But this advantage does not justify the appointment of a new Board or Corporation whose constitution alone would pose a host of difficult problems.

(iv) *Structure of the National Health Service* : The structure of the National Health Service laid down in the Acts of 1946 and 1947 was framed broadly on sound lines, having regard to the historical pattern of the medical and social services of this country. Accordingly, it will be altogether premature to propose any fundamental change in it. The Service has just begun to grapple with the deeper and wider problems which confront it. What is most needed at the present time is the prospect of a period of stability, in order that all the various authorities and representative bodies can think and plan ahead with the knowledge that they will be building on firm foundations. Some of the strains and stresses of the National Health Service are attributable to the difficulty experienced by many who had grown up under the old system when called upon to operate a service administered on different lines. Longer experience of the working of the Service and the gradual emergence of a new generation may make comparatively simple many things which now appear difficult or impracticable.

The amount of natural resources, expressed in terms of finance, manpower and materials, which are to be allocated to the National Health Service,

must be determined by the Government as a matter of policy, with due regard to the competing claims of other social services, and national commitments and to the total amount of resources available. The development of the National Health Service is one among many public tasks in which objectives and standards must be realistically set and adjusted as time goes on both to means and to needs.

The Hospital and Specialist Services

(1) *Powers and Functions of Hospital Authorities :*

- (i) Two levels of management—the regional and the group—are essential for the efficient administration of the Service which deals with more than 3,000 Hospitals in England and Wales and some 400 in Scotland. The Regional Hospital Boards should be told, and Hospital Management Committees should accept, that the Regional Boards are responsible for exercising a general oversight and supervision over the administration of the Hospital Service in their Regions. The Ministry of Health should leave the task of supervising the Hospital Management Committees to the Regional Boards and should not itself undertake this task over the head of the Boards.
- (ii) The Regional Hospital Boards and Boards of Governors are, at present, required to seek the prior approval of the Health Departments to capital works costing more than £10,000, and the Health Departments have also to seek the prior approval of the Treasury to capital works costing more than £30,000. These limits should be raised to £50,000 and £100,000 respectively.
- (iii) The existing controls over the appointment of consultants and junior hospital medical staff in England and Wales should be retained, but the controls over other categories of staffing establishments be relaxed as far and as fast as possible. The hospital authorities should themselves carry out reviews of their staffing establishments at regular intervals.

The responsibility for ensuring economy in the use of hospital staff should remain fairly and squarely with the Regional Hospital Boards and Boards of Governors, with the proviso that the Boards must seek the authority of the Ministry to make any additional consultant appointments. The Department of Health for Scotland should also consider the desirability of adopting a similar procedure for the control of staffing establishments similar to that suggested for England and Wales.

(2) *Medical Consultation at Regional Level :* It is very important to integrate the medical aspects of the hospital, local health authority and general practitioner services. The inclusion of representatives of the Universities, the Medical Officers of Health and the general practitioners on each regional consultative committee would be of great value.

(3) *Hospital Groupings*: Regional Boards should review their hospital groupings and in particular consider whether it would be in the interests of sound and economical management to split up some of the large groups, and to amalgamate some of the very small groups. The "satellite" type of group is one of the most suited in size and function to management by a single Hospital Management Committee. The larger groups should be broken down, wherever practicable, to bring them into line with this concept of the ideal hospital group. The mental hospitals and mental deficiency institutions should be managed separately under their own Management Committees and not in combination with one or more general hospitals. This is in fact the normal pattern in the hospital service.

(4) *Volume of Committee Work*: All Management Committees and Boards of Management should view their arrangements with the aim of simplifying their Committee's structure and reducing the volume of work by increased delegation of authority to responsible administrative officers. This delegation would be facilitated if the hospital secretary were given higher status in hospital administration and if the post of hospital secretary were to become a normal starting point to the hospital administrative career at group or regional level.

(5) *Appointment and Composition of Hospital Boards, Management Committees and Boards of Management*: The Health Ministers must reserve to themselves the sole right to decide about the appointment of the Members of the Regional Boards and aim at maintaining a certain pattern of membership which will take account of all the interests concerned in the Service. Members of the Medical profession should not be excluded from the membership of Hospital Boards, Management Committees or Boards of Management. Their inclusion will give invaluable advice to the lay members on medical aspects of hospital management and in turn help the doctors to understand more fully the broader administrative problems in the Hospital Service. The total number of medical members on a Regional Board, Management Committee or Board of Management should not exceed 25 per cent. save in exceptional circumstances.

(6) *Hospital Finance—Current Expenditure*: It would be impracticable to give direct financial rewards for underspendings to one Hospital Management Committee in a Region without doing an injustice to other Committees which have budgeted closely and spent up to the limit of their estimates. Moreover, it is a misconception that financial incentives of this kind are a proper way to ensure the efficiency of Hospital Management Committees.

(7) *Hospital Costing*: A good case has been made out for the introduction of departmental costing into the hospital service and that it should be started experimentally in the first instance in a limited number of hospitals and expanded subsequently in the light of experience. The subjective accounts must be retained at least for the time being, and the matter reviewed at a later date, after departmental costing has been introduced and expanded in the hospital service, to see if their continued retention is in fact essential. The Committee urges the importance of establishing at the hospital and departmental levels a system of effective budgetary control which will enable hospital managements in suitable cases to set their standards of efficiency each year and to judge at the end of the year whether those standards have been achieved.

(8) *Measurement of Hospital Efficiency* : When the right information is made available to responsible officers and at the right levels of management, the stage would be set for the examination of standards of performance in hospital departments both internally and in relation to other comparable departments. This will certainly entail the appointment of additional administrative, clerical and statistical staff but it is essential for better hospital administration.

(9) *Hospital Staffing* : An immediate provision should be made for the recruitment and training of the administrative staff of the hospital service. It should include methods of entry into the service, avenues of promotion, training, and an appropriate structure and salary grading of posts which will provide sufficient people of the right calibre at all levels of hospital administration.

As a part of the reorganisation of hospital medical staffing, provision should be made for a new specialist grade below that of the consultant which would offer a permanent position in the career structure of the hospital service.

The Family Practitioner Services :

Amalgamation of Executive Council Areas : After reviewing the case for and against the amalgamation of Executive Council areas, the Committee concludes that the existing pattern of Executive Council areas is broadly right, on the grounds that their boundaries should generally be co-terminous with those of the local health authorities, so as to strengthen the link between the general practitioner and domiciliary health services.

The Local Health Authority Services

(i) *Organisation* : The County Councils and County Borough Councils are the right authorities—bearing in mind the areas they serve and the resources they command—to plan and administer the local health and welfare services in co-operation with the hospital authorities and local Executive Councils. Certain authorities have already taken steps to combine the administration of their local health and welfare services, under one committee (the health committee) of the council. Those authorities who have not yet done so should follow the example which has already borne successful results.

(ii) *Finance* : In the best interests of local government, the arrangements for financing the local health services should remain unchanged, i.e., with the cost shared equally between the local rates and the Exchequer. As soon as financial circumstances permit, the existing Exchequer subsidy towards the cost of providing new residential accommodation should be abolished and instead the net expenditure (both capital and current) incurred in providing all residential accommodation of this type should attract a 50 per cent. Exchequer grant. In return, the Minister of Health and the Secretary of State would be able to require local welfare authorities to develop their services, as and when the state of the national economy will permit, on a scale commensurate with the needs.

(iii) *Health Centres* : The wisest course to pursue at the present moment is to continue an experimental approach towards the development of health centre and to accumulate information about the experience gained from the centres already in operation. Where there is an urgent need for new maternity and child welfare clinics and surgery accommodation—e.g. in areas of new housing development, or in heavily populated industrial communities where the existing facilities are clearly inadequate, there would seem to be a valid case for developing health centres.

(iv) *Maternity and Child Welfare Services* : The maternity services are in a state of some confusion, which must impair their usefulness, and which should not be allowed to continue. The present structure appears to represent a not very satisfactory compromise between the services, which were in existence before the Appointed Day and the new maternity medical service which was introduced with the National Health Service. The time has now come for an appropriate body to review the whole of this field to find out precisely what services—medical and educational—are needed for mothers and young children and how they can best be provided through the framework of the National Health Service.

(v) *The Ambulance Service* : (i) The administrative responsibility for the provision of ambulance services should be transferred from the local health authorities to the hospital authorities. (ii) All hospital authorities of appropriate size and hospital groups should appoint Transport Officers at the earliest possible date, unless they can prove to the satisfaction of the Regional Hospital Board that they have made alternative arrangements which are working effectively and economically.

Whitley Council Machinery

(i) *Rigidity of Whitley Council Scales of Remuneration* : In any national service, there must be some form of national machinery for agreeing centrally upon the salaries and gradings of the staff employed. The Whitley system, although capable of improvement in detail, seems to be generally appropriate for this purpose. The Whitley Council agreements themselves, however, need not be rigid and inflexible in their terms; provision could be made in the agreements for a certain measure of elasticity to meet variations where the need arises. The Management sides and the Staff sides of the Whitley Councils might profitably explore the methods which have been used by other large scale undertakings to introduce flexibility into national agreements and should consider whether something more might be done in this way to increase the flexibility of Whitley Council Agreements.

(ii) *The Composition of the Management Sides* : The representation of Regional Hospital Boards and Hospital Management Committees on the Whitley Councils should be substantially increased. This will have the dual effect of bringing greater experience of hospital management to Whitley Council discussions and also of helping the Management sides to carry the hospital managers along with them in implementing their decisions.

(iii) *Consultation with Hospital Managements* : The Health departments should review the present arrangements for consultation with Regional

Hospital Boards and invite Regional Hospital Boards to review their arrangements with Hospital Management Committees, in order to make certain that the Management sides of the Whitley Councils are as fully aware as possible of the views of these authorities before decisions are reached on matters which will affect them.

General

(i) *Proposed Research and Statistics Department* : The Health Departments should set up a Research and Statistics Department which would devote the whole of its time to statistical investigation and operational research in general, and would consider what information is now lacking as to the working of the National Health Service and how this information might best be produced. The Research and Statistics Department would function as the Intelligence Branch of the Health Departments, working in the closest co-operation with the Departments' administrative and medical staff; and would be constantly engaged in the search for facts and information which would enable administrators to make right decisions for the future development of the Service.

(ii) *Co-operation within the National Health Service* : If the National Health Service is to work properly, co-ordination is needed at three levels—first, centrally, so as to ensure that all three branches of the Service are associated together in carrying out a single national policy; secondly, at the level where the national policies are applied to local circumstances; and thirdly, at the personal level where individual workers in the Service must co-operate to help a particular patient. The first of these requirements can be met through the central administration of the Ministry of Health and the Department of Health for Scotland. The second and third have been achieved by a variety of means and with varying success, but there is still room for improvement in many areas.

(iii) *National Insurance and the Health Service* : As regards the general feeling that as the people pay for the National Health Service through their National Insurance contributions they are entitled to take the greatest possible advantage of any free facilities available under the National Health Service Acts, it is pointed out that the National Health Service is not an insurance scheme and that its benefits do not depend on the payment of insurance contributions by the users of the Service.



Book Reviews

BRITISH GOVERNMENT INSPECTION—The Local Services and the Central Departments; By *JOHN S. HARRIS*. London, *Stevens & Sons Ltd.*, 1955, xii. 196p. 25s.

"This study analyses and attempts to evaluate inspection as an administrative device employed by central governments to achieve supervision, guidance, and control over local government authorities." In other words, the book constitutes a case study of the British system of inspection as an instrument of government. In all large organizations, non-governmental as well as governmental, and among governmental, in federal as well as unitary, there are numerous situations in which the primary responsibility for administration is vested in an authority near the scene of action but a wider or more central authority still retains responsibility of overall guidance and co-ordination. In fact, the trend of administrative developments is in the direction of increasing these situations. While no two situations of this nature are completely comparable, experience gained in any one has lessons which may be utilized for determining action in another.

In U.K., the national government, *i.e.* Her Majesty's Government, has few functions of internal administration under its direct control. Most of these are attended to by appropriate local bodies. The Government is, however, responsible to Parliament in so far as policy and finance are under parliamentary control. To influence action and reassure Parliament is thus essential for the Government. Parliamentary responsibility without direct administrative powers can be secured only by a system of inspection. Usually inspection is accompanied by a sharing of costs between central and local authorities.

The inquisitorial or disciplinary aspects of inspection tend to be emphasized in the hands of inexperienced inspectors. But, by and large, the inspectors as a body represent a group of persons whose expertise and experience qualify them to exercise the functions of guidance and advice. Acceptance by the inspected is almost entirely dependent on the obviously superior expertise and experience of the inspectorate. The past experience of the U. K. indicates that successful inspection is more a case of finding suitable inspectors than of giving them legal powers. This latter can be easily done, but creating a tradition of wisdom and maturity is achieved only over a long period.

While sanction of grants-in-aid, approval of bye-laws and ultimate control over the appointment and dismissal of some key personnel are methods of influencing local government action, they depend for their success on an efficient system of inspection. Inspectors are not only the source of information on which central action is based, but they are also the channel through which guidance and advice are conveyed in the most effective and acceptable form. Mr. Harris' book contains a factual account as to how inspection is actually carried out by Her Majesty's Government in the spheres of poor relief, public health,

local government services, education, constabulary forces, highway and fire services. The historical background and details of operation of each inspectorial service are touched upon to the necessary extent. As policing functions are more characteristic of the governmental process than any other, the way inspection helps Her Majesty's Government to discharge its responsibility in the field would serve as a good illustration of what Mr. Harris feels is the proper role of inspection in inter-authority relationships.

A century ago, an Act of the British Parliament enjoined on all local authorities in U.K. the duty of maintaining a sufficient police force. The Act also provided for subsidizing expenditure incurred on this force, and for appointment of Inspectors. It was the statutory duty of the Inspectors to inquire into efficiency and organization of local police forces, and into the physical conditions, *e.g.*, buildings, equipment, etc., in which they had to work. The central grant for meeting part of police expenditure to which a local authority was entitled could be disbursed by the Treasury only on certification of efficiency to be issued by the Home Office. The reports of Inspector of Constabulary constituted the basis on which the Home Office would issue the appropriate certificate. If the Home Office refused to certify to the efficiency of the local police, the matter had to go to Parliament along with statements both of the Inspectors and of the local authorities. Thus, while the Inspectors could not arbitrarily come in the way of the central grant, normally if the advice of the inspectors was sound in itself few local authorities would insist on a Parliamentary pronouncement in the matter. In 1919, the Parliament, almost by a natural assertion of its function, authorized the Secretary of State to issue regulations as to the government, mutual aid, pay, allowances, pensions, clothing, expenses, and conditions of service of all the members of all police forces in England and Wales.

In the course of their tours of inspection the Inspectors of Constabulary conduct a review parade of the local police, meet members of the police committee and of the general public. Thus the public relations and personnel aspects are taken care of along with the professional and organisational ones. When he considers it necessary to do so, an Inspector may follow up or review an individual case or process, so as to convince himself that a sufficiently high standard is being observed. As the Inspectors are closely associated with the working of the regional police training centres, their continued interest in police operation is a welcome supplement to the training received by police officers. There is one Woman Assistant Inspector of Constabulary to supervise the work of women constables in the several forces.

The most significant part of the system, as illustrated by Inspectors of Constabulary, is that far from undermining local initiative and civic pride Inspectors have helped to nurse these. A formal certificate of efficient performance is no longer needed to qualify for the treasury grant. A mere acquiescence by the Inspector in the general tone and progressiveness of a local force is considered adequate. During extremely critical days of the war, only an inherently decentralized system of police like the British could have worked. Inspection did not come in the way of its continuance, but only strengthened it by conveying to it lessons from a wider experience.

Mr. Harris has discussed not only for the police, but also for the other major areas of local administration, the full details of a system

of inspections. Structural matters, *e.g.*, number of inspectors, their qualifications, organisation, periodicity of inspections, discretionary powers left to Inspectors, and the relationship of inspectors to local authorities, have been fully dealt with. It is not surprising to come up with the author's conclusion that Inspectors have been most successful where they have secured the co-operation of the inspected local authorities. This, indeed, is the secret of successful central inspection in a democratic form of administration. The Inspector must fulfil in practice, as he is represented to do in theory, the role of the representative of the bigger community to assist a smaller component of the same. The community itself is acting at two levels for the task of self-regulation, and the Inspector is the people's agent who makes this possible. Unless inspection is organized and conducted so as to conform to this role, far from being an aid to decentralized democratic administration, it would turn out to be—as has indeed been the case in several autocratic systems—an instrument of centralized authority.

A careful perusal of Mr. Harris' book may be confidently recommended to all those who would desire to have a system of management where the merits of a decentralized system are sought to be attained without inviting the usual blemishes of pettiness and stagnation from which smaller authorities suffer.

—D. G. Karve

THE CIVIL SERVICE IN BRITAIN AND FRANCE; Ed. WILLIAM A. ROBSON. London, *The Hogarth Press*, 1956, vii, 191p. 21s.

This is a collection of 14 essays on various aspects and problems of the Civil Service, embodying an exceptional wealth and range of knowledge and experience. Among the contributors are Mr. Attlee, Sir Edward Bridges (until recently Permanent Secretary to the Treasury) and Sir Laurence Helsby (First Civil Service Commissioner); and Professor Robson, besides editing the book, has contributed two essays. Most of the essays were originally published in *The Political Quarterly*, in the autumn of 1954. But, many of them now appear in an expanded form, and some of the new ones, particularly Professor Robson's "Bureaucracy and Democracy", and Professor Andre Bertrand's contribution on "The Recruitment and Training of Higher Civil Servants in the United Kingdom and France", are specially valuable.

The occasion for the issue of the original essays was the centenary of the Trevelyan-Northcote Report—a point of some interest to India, for Trevelyan had gone to the Treasury with a background of distinguished and stormy, service in this country. Also, the principles of recruitment recommended in the Report were adopted for the Indian Civil Service some 15 years earlier than for the Home Civil Service, and are, in essence, still in force. The real value of the book, however, lies not in the historical retrospect, to which, in fact, very little space has been devoted, but in the authority and insight with which the main present-day problems of the Civil Service have been considered. No attempt has been made to offer ready-made solutions to all the problems. Many of the problems are too complex, and the writers too wise, for that; but there is some indication in most chapters of what the writer considers to be the sound approach, or the likely direction of advance.

What is wrong with the bureaucracy? Can it exist and develop without eating into the vitals of democracy? What, in any case, does bureaucracy precisely mean? Professor Robson has posed and attempted to answer these questions. Mr. Chatenet, Director of the French Civil Service, has raised the same issue in a different form: Is there a danger that the need for permanence of civil servants might induce in them a tendency to independence in relation to the political rulers? Is it possible for the Civil Service to be a corporate body without behaving like an autonomous power in the State? In the opinion of Mr. Chatenet, such a reconciliation has been achieved in the British Civil Service.

Professor Robson considers bureaucracy a necessity in a Welfare State—and not an evil necessity either—but recognises what may be called bureaucracy's occupational maladies, and suggests the remedies: decentration of authority, integration of the Civil Service with the community, an effective and continuous system of communication between the governors and the governed, and widespread participation in the administrative process by persons who are neither professional politicians nor civil servants. In the experience of the reviewer, civil servants, employed on the Community Projects and the National Extension Service, have been conspicuously free from the maladies of the bureaucracy, and among the main reasons has been the application of the remedies which Professor Robson commends. A strong but reasoned political control at the top is another powerful safeguard against bureaucratic evils, and Mr. Attlee, who ought to know, has observed that civil servants prefer a 'difficult' Minister to one who is of no account. This is generally true in India also, though, unfortunately, not widely known. Parliamentary questions are another salutary check on the bureaucracy but Mr. Attlee has also referred to its less useful side, *viz.*, its tendency to induce in the civil servant a certain hesitation and nervousness in dealing with affairs. Can these conflicting considerations be reconciled? Many civil servants in this country would like this parliamentary institution to thrive, and consider that its harmful effect on Civil Service initiative and boldness is apt to be over-estimated.

Different aspects of Treasury control have been dealt with by two distinguished civil servants with long Treasury experience. The current philosophy at the Treasury is that the interests of economy in both expenditure and staff are best served if the Treasury concentrate on broad issues, and leave a fair measure of freedom to the other Ministries. This is a live, but so far largely unsettled, issue in India.

In more than one chapter, there is reference to the large body of professional, scientific and technical staffs in the Civil Service, and to the problems which this has created. There is the question of the place of these specialists in the Civil Service hierarchy, and of their functions, relative status and pay. The specialist element is still small in our own Civil Service, but all these issues to have begun slowly to crystallize, and at certain points in the structure, tension is already discernible.

In recruitment and post-entry training, the divergence between the British and the French systems has been brought into focus in the two chapters written by Frenchmen. Britain still believes in having the best products of the universities, without any regard to the relevance of the subjects studied, to the work done in the Civil Service. In France, the syllabus of the competitive examination for the administrative class practically limits entry to those who had studied the social sciences; and the French

have so far nothing like method II entry into the British administrative class, which is based largely on prolonged interviews. While the British are still relying mainly on training young officers on and in the job, the French have a highly organized system of training imparted at, and under the auspices of, the National School of Administration, for a total period of some 31 months. The difference reflects the French concept of the Civil Service as a well-differentiated profession.

There is a great deal more in the book that has relevance to our own problems of public administration. Anybody who is seriously interested in these problems will find it well worthwhile, studying and re-studying this book of less than 200 pages.

—L. P. Singh

INTERVIEWING FOR THE SELECTION OF STAFF; By E. ANSTEY & E.O. MERCER. London, George Allen and Unwin, 1956, xiv, 111p. 10s. 6d.

Of the making of interviews there is no end. There are political interviews, press interviews, stage interviews, sports interviews. On the same day and in the same paper one may read an illustrated interview of a film star and a political dictator. This book deals, however, with a pedestrian subject, interviews for the selection of staff. It is, therefore, most useful for heads of business houses and Government departments, and members of the Public Service Commissions. The reviewer after eight years of experience has found no book of greater practical value. It is intended for the amateur, not the professional, and yet the professional interviewer can learn a great deal from it.

In this well arranged book, which is full of sanity and realism, there are thirteen chapters. The subject is dealt with logically and nothing is taken for granted. The authors begin with the aim of the selection interview and they rightly emphasize the Seven-Point Plan of Alec Rodger giving us the qualities to be considered in each candidate and they are as follows:—(1) knowledge, (2) general ability, (3) special aptitude, (4) disposition, (5) aims and interests, (6) physical capacities and (7) experience and opportunities.

The authors then deal with the plan of attack and the importance of a systematic approach. After discussing preliminaries, the method of the interview is carefully discussed in Chapter 5. The most important thing to ensure is to have the confidence and the co-operation of the candidate and then to conduct the interview so that it may yield the fullest information about the candidate. To the beginner, the caution is administered that "talking too much himself is a common fault of the inexperienced interviewer." The methods of asperity, provocation and disagreement are to be used with great caution and are not generally recommended.

In Chapter 7, we have a good discussion of the Board Interview, this being more complicated than an interview by a single officer.

A very valuable Chapter—Chapter 10—deals with reaching conclusions. The authors take individual cases and apply their commonsense methods to the final conclusion to be arrived at and this is useful for those whose main business is to interview for the purpose of selecting staff for public service, and to arrange candidates in the order of merit.

The authors quote a business woman who said that she had three definite rules. She would never employ any man who wore suede shoes, or a beard, or who wrote his application in coloured ink. The reviewer has also his pet aversions : red hair, a swaggering or blustering manner, pompous or Johnsonian airs, those who read the *novels* of Bernard Shaw. But such angularities of judgement can well be rounded off by the study of a book such as this. Above all, it is good to know that the authors believe that the best way of learning to interview is by interviewing; and the second best way is to think constantly of employing a better and more precise instrument for judging human material.

A first-rate book, which should be in the hands of all persons and authorities concerned with the selection of staff by the method of interviewing. It will help in the formation of a sound style of interviewing, and may even dispel the illusion of infallibility from which some of us suffer.

—A.A.A. Fyzee

STATE AND GOVERNMENT IN ANCIENT INDIA; By A.S. ALTEKAR. Banaras, Motilal Banarsidass, 1955, 2nd ed., vi, 386p. Rs. 15.

Dr. A.S. Altekar's is 'a comprehensive work explaining succinctly the Hindu political ideas, theories and ideals and describing the different features and aspects of the ancient Indian administration in its numerous branches'. He has defined ancient India as India from the Vedic age to about 1,000 A.D., excluding the earlier history. The sources of his study are partly original and partly secondary; he has also utilised an unpublished manuscript ! There are in all seventeen chapters in the book, roughly falling in four sections, namely, political theory, the pattern of administration which became stereotyped after 500 A.D., a historical survey of Indian administration under different rulers, and lessons of ancient India to modern India.

The essence of the ancient theory was that the state was divine in origin and its duty was to uphold the divine law technically known as *dharma*. Constitutional writers therefore found it easy to prescribe a uniform pattern of the government for every state, i.e., one ruler, a few ministers and many servants. While the thinkers said that what the sun is to earth God is to king, those who implemented the theory declared that monarchy was the only form of government which could preserve and fulfil the principles of *dharma*. Divinity was conceded not to the person but to the office of king. Thus a deep gulf was created from the very beginning between Hindu political theory demanding blind faith in and 'absolute allegiance' to the source of authority and modern political science resting on reason and logic. All *smritis*, *dharmaśāstras* and commentaries adduced further arguments to support the theory, and sovereign heads of states, in turn, became the ardent champions of the sacred law.

The political institutions which followed in the wake of this theory were equally peculiar. They were essentially historical products. The most important among these was the Caste. Priesthood created Brahmanas; fighting and government, Kshatriyas; and trade and industry, Vaisyas. All other social functions were left to Sudras; thus originated the system of four main castes. The ancient political theory too held that so long as inequality was a law of nature and equality was only the law of a state, a perfect blend of the two was, and could be, the only Caste.

A second but two-fold institution which owed its origin to *dharma* was the corporate guild in business and the *panchayat* in administration—two sides of the same coin, representing another two different aspects of the relation between King and People. According to the ancient constitutional writers King stood for Power (*danda*); but constitutional practice vested Property in the People. In the ancient polity the two were thus made complementary, and *artha sastra* (economics) and *niti sastra* (political science) overlapped at early stages. The King toiled for the welfare of all without distinction and could 'do no wrong' while the People managed lands, exchanged goods, volunteered to pay taxes, laboured free if necessary, settled local disputes, dealt with aliens and co-operated with the King's deputies. A tyrant was a mad dog and therefore could be destroyed, and treason could be punished with death. Modern political science describes this happy relationship between King and People as a perfect balance of the principles of centralisation and de-centralisation; but to the classical Hindu thinkers it was true *raja dharma* and true *janapada dharma*.

The pattern of administration which was evolved, though differing in detail during the times of different rulers, had certain common features, namely, a group of ministers to advise the king, a secretariat manned by a body of civil servants to carry out his policies; the division of administration into administrative provinces and districts; a very large measure of self-government for villages, and popular councils at the provincial and district levels. There were popular assemblies at the central level also in very ancient times. But these disappeared in the post-Vedic period as the size of the state became bigger, thus rendering their meetings impracticable. Accordingly, an attempt was made to protect the interests of the people by decentralising the functions of the government and vesting the district, town and village administrations with adequate powers. The work of these administrations was supervised and controlled by non-official councils. The popular control in ancient India was thus exercised not at the top but from the bottom.

Dr. Altekar's historical survey is also evidence of the fact that history played its own part in the origin and development of ancient Indian polity. He explains, in one of the chapters of his book, that they all originated in the patriarchal type of families which the Aryans brought into India and that wars made monarchy inevitable, indispensable and deep-rooted. But what is most difficult to understand in any description of ancient Indian administration is what was fact and what was fiction. The free mixture of 'is' with 'ought to be' in the writings of *Kautilya*, *Sukra* and *Bana*, for example, is responsible for the confusion in all studies, including the present one by Dr. Altekar.

—K.N.V. Sastri

LOCAL GOVERNMENT AND CENTRAL CONTROL; *By A WEST MIDLAND GROUP.* London Routledge and Kegan Paul Ltd., 1956, viii, 296p. 28s.

The book presents a sample survey of English Local Government in the Five West Midland Countries of Staffordshire, Shropshire, Herefordshire, Worcestershire, and Warwickshire, and on the basis of that makes certain useful suggestions for reform, principally of Central-Local relationships. The ground covered is much wider than what the title of the book seems to indicate. There are chapters on the development of the local

government system, local government authorities, services, and finance, standards of local expenditure, regional organisation of Central Government departments, and Central and Local Government. The survey is based on personal and local knowledge and interviews with representative local and regional officials, besides a study of documentary material available. It is intended to serve a practical end, *viz.*, to create a sense of responsibility and ultimately a greater degree of efficiency in the administration of local affairs.

According to the survey, the principal ill from which English Local Government suffers today is over-centralization which has resulted in loss of interest of the electorate in local affairs, decline in the enthusiasm of the members of local bodies, and unwillingness of men and women of calibre to come forward as local government candidates. Fifty years ago 'local government was full of confidence in itself and had a worthy task which it fulfilled with some success'. But today it is sick and the malady is too much and a wrong type of central control.

The prescription for cure consists of a dozen recipes, which are, as follows :—

1. A fresh approach should be made to the distribution of functions between ministries working direct through their own officials, *ad hoc* boards and elected local authorities, according to the ability of each authority to carry out best the various tasks of the government.
2. Central Government should have not the power to require from local bodies detailed proposals in advance and to veto or alter them.
3. The financial responsibility of the local bodies should be *post hoc* and definitely related to efficiency and costs standards.
4. The carrying out of national policy by local bodies should be by inspection of performance and not by advance control of details.
5. Grants should be based on standards of adequacy rather than of approved expenditure.
6. Exchequer equalization grants and compensation of revenue grants should be abolished.
7. All services should be grant-aided and the grants should be according to a standard formula based on cost accountancy and pre-determined national standards.
8. The local authorities should have freedom to spend the grant and their own revenue as they think best. If they default in their obligations, they should be brought to book through the courts which can restrain them by the issue of writs of *ultra vires* and compel performance by *mandamus*.
9. Local bodies should publish full reports on their performance and costs as a corollary to their freedom to spend grants without detailed control.
10. There should be uniform accounting for all local authorities and on the lines of detailed costs accountancy.
11. The internal organization of local bodies should be the responsibility of the council. There should be no statutory committees, and ministerial approval of appointment of officials should not be required.

12. Some minister should be responsible for local government as a whole to prevent piecemeal and uncoordinated interference by individual ministries in respect of separate functions.

'The paradox of British local government today', stated *The Times* in its issue of the 21st March 1950, 'is that all who work in it agree that it needs reforming, yet all disagree over the reforms that are needed'. The above suggestions can be no exception to this. Not all would agree that the central government should have no veto over local proposals or call for their details in advance, that no conditions should be attached to the grants and local bodies should have complete freedom to spend them subject only to the publication of a full report on performance and costs, that *ultra vires* and *mandamus* would be effective substitutes for administrative control, that the financial responsibility of the local bodies should be only *post hoc*, that the entire internal organisation should be left to the unfettered discretion of the councils, or that one ministry like the ministries of interior in the continental countries should have over-all control concentrated in its hands. Local initiative and vigour are undoubtedly important, but local inertia, jealousies, and parochiality of vision are also factors which cannot be ignored, and it is mainly to counteract these, that the central control in its present form has developed.

Those, for example, who know what has happened to non-statutory finance committees in some of the boroughs where the whole council has insisted on functioning as its own finance committee, thus defeating the very object of such a committee, will find it difficult to entertain the proposal that the internal organisation of local bodies should be entirely left to the councils. It is all very well to say that there should be a reallocation of functions according to the suitability of a particular authority to carry out best a particular task, but are there any agreed criteria for judging such suitability? Would area be a relevant criterion—population, or financial resources? If it be a combination of these and similar other factors, what weightage each will have?

The survey devotes a lengthy chapter to working out standards of performance and cost with reference to four factors of population : size, ratable value per head, density and population's growth. While this attempt is interesting and impressive, the most important conclusion is negative, namely, that none of these factors is of general importance. In the present state of our knowledge of techniques of measuring efficiency of performance, it would appear to be premature to talk of stabilizing the allocation of functions or substituting *post hoc* review for the multi-sided administrative control. Where theory fails, horse sense must continue to guide.

The survey is, however, valuable for its description and analysis of the present situation of the English local bodies. It is based on first-hand investigation and contains a wealth of detail, statistical tables, maps and diagrams to which all those interested in English local government can profitably turn. The chapter on the Regional Organisation of Central Government Departments is of special interest as many people still seem to think that Britain has only a central government and a local government with nothing intervening between the two. Most of the books on English local government commonly leave this new development undescribed.

—M.P. Sharma

NOTICES

LAW AND PRACTICE OF ESTATE DUTY; *By V. BALASUBRAHMANIAM. Bombay, N.M. Tripathi Ltd.; 1956. xi, 726, xxxiii p. Rs. 22-8.*

An exhaustive analysis and interpretation of the various provisions of the Estate Duty Act 1953, which should prove useful both for the layman and practitioners of law. The relevant U.K. Finance Acts are given in Part IV.

LOCAL SELF-GOVERNMENT ADMINISTRATION IN STATES OF INDIA; *By Central Council of Local Self-Government. 1956. New Delhi, Manager of Publications. iii. 146p.*

A useful addition to the existing scarce material on the organisation, functions, resources, and administration of the local bodies in India.

HOSPITALS AND THE STATE—Background and Blueprint; *By THE ACTON SOCIETY TRUST, London. 1955, 43p. 4s.*

This is an introductory study in a series of studies planned by the Acton Society to throw light on the nature and problems of large-scale social service organisations in general and the working of the Nationalised British Hospital Service in particular. It contains a short, vivid account of hospital organisation before and after the transfer of voluntary and local authority hospitals to public ownership, especially of the three new types of regional and local bodies (Boards of Governors, Regional Hospital Boards, and Hospital Management Committees). The study reveals that the principle of the span of control has been more closely observed in nationalised industries; but statutory decentralisation has been carried further in the hospital organisation. The investigation was planned and carried out by Mr. T.E. Chester, Dr. Jur (Vind), formerly Director of the Acton Society Trust and now Professor of Social Administration at Manchester University.

CORRIGENDUM

IJPA, Vol. II, No. 2 (April-June, 1956), Article by Mr. J.B. Cullingworth on 'Postwar Housing Policy and Administration in England and Wales', p. 109, lines 1 and 16 :

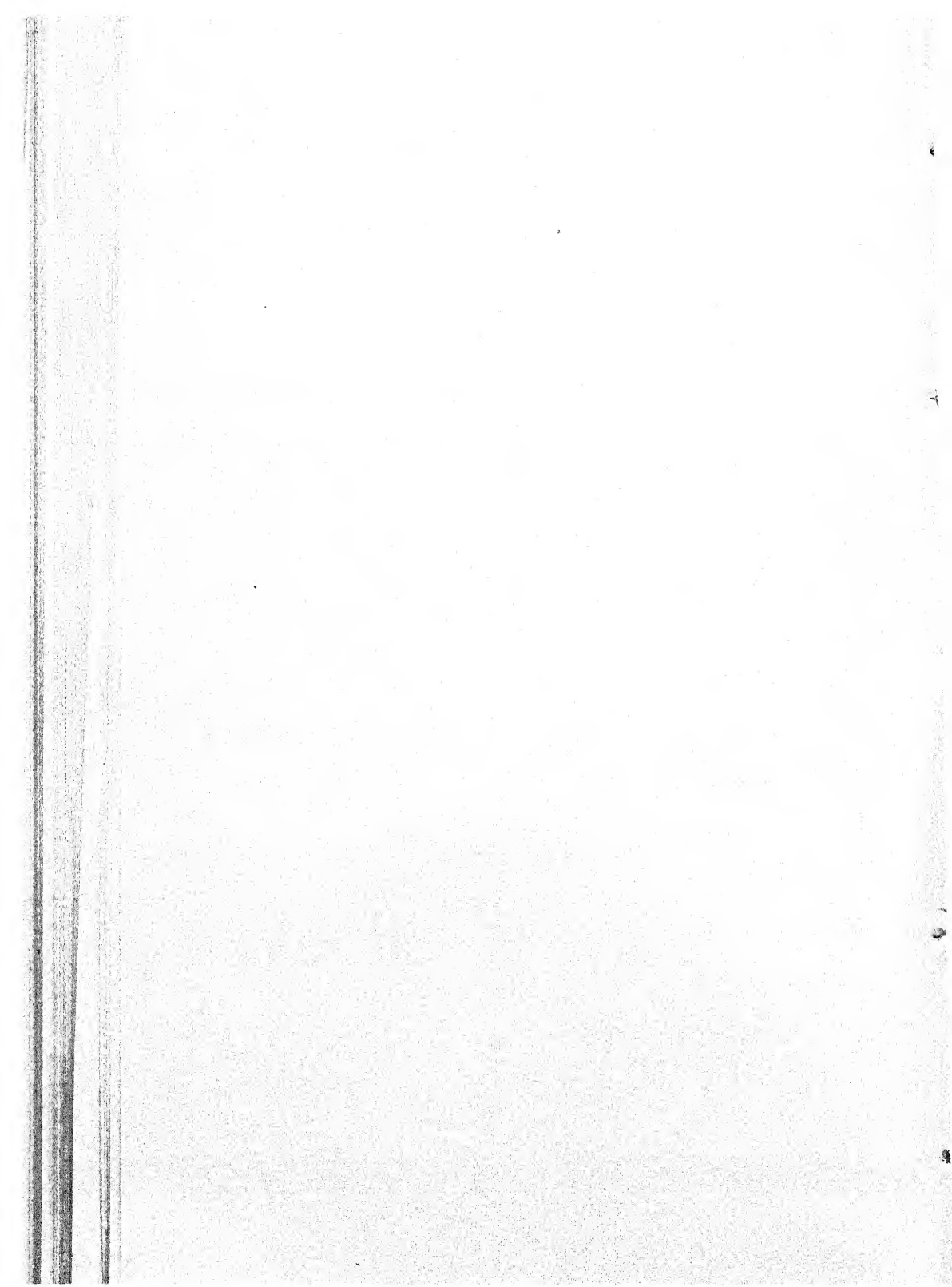
FOR 'national'
READ 'notional'



CONTENTS

	<i>Page</i>
The Good Administrator <i>C. Rajagopalachari</i>	1
Meeting Future Personnel Needs <i>Paul H. Appleby</i>	7
International Civil Servant <i>S. Lall</i>	12
Public Administration and Scientific Management <i>Lyndall Urwick</i>	18
Liaison between Government and the Private Sector <i>G.L. Bansal</i>	22
Indian Airlines Corporation <i>Shankar Prasada</i>	34
People's Councils in Bulgaria <i>Dimo Stanchev</i>	50
Public Service Commissions—An Indian Approach <i>S. B. Bapat</i>	54
On Confidential Reports	60
Editorial Notes	70
Director's Quarterly Report	71
Correspondence	73
News from India and Abroad	76
Digest of Reports	85
Book Reviews	92

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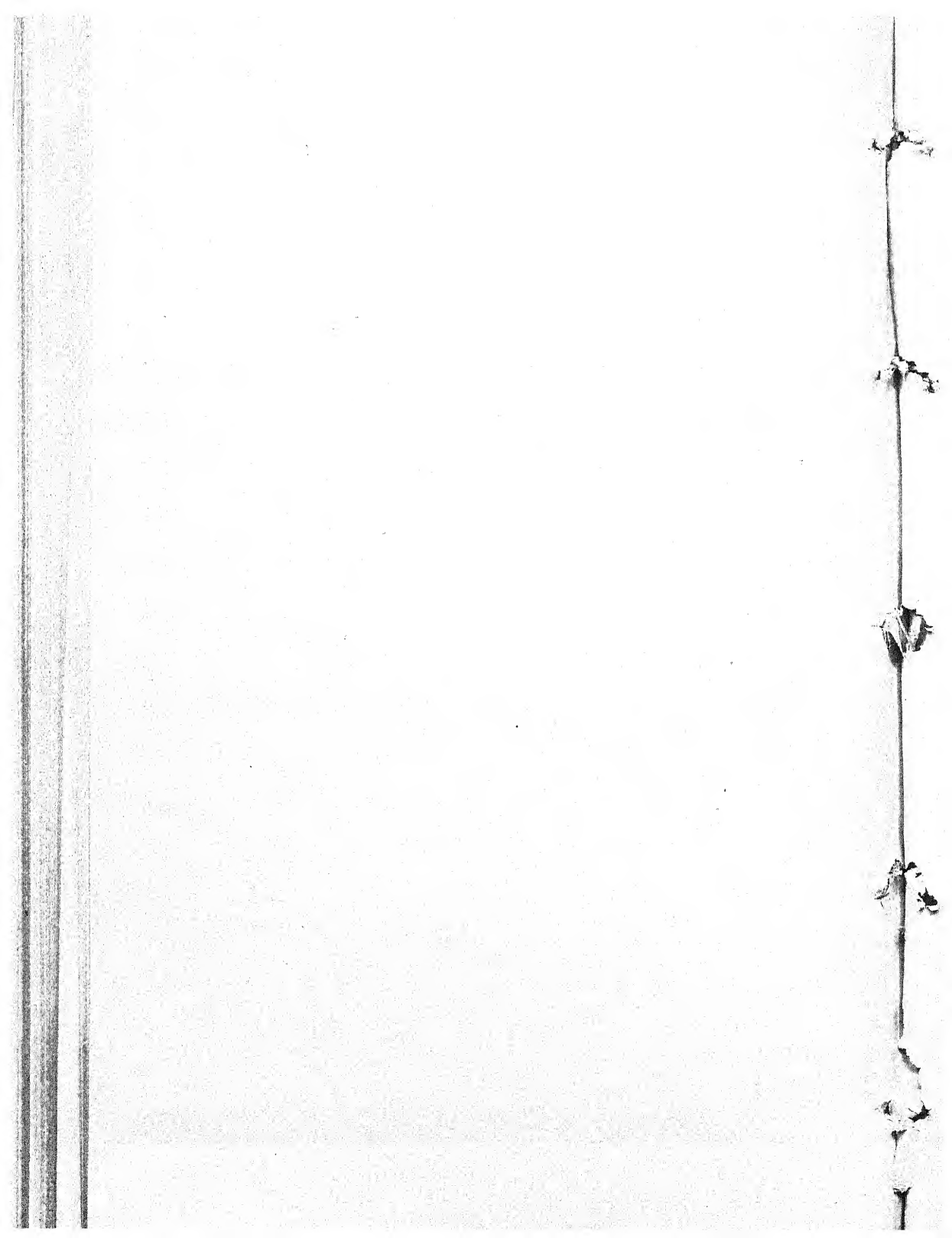
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CONTENTS

	Page
Postwar Housing Policy and Administration in England and Wales	<i>J.B. Cullingworth</i> 101
Administration of Nationalised Undertakings	<i>R. G. Saraiya</i> 111
A Forward Look in Personnel Administration	<i>Philip Young</i> 121
The New Anchal Adhikari System in Bihar	<i>V.K.N. Menon</i> 134
Advance Towards Metric	<i>Pitambar Pant</i> 141
Social Insurance Administration in India	<i>V.M. Albuquerque</i> 154
Editorial Notes	171
Director's Quarterly Report	172
News from India and Abroad	176
Digest of Reports	181
Book Reviews	191
	<i>D.G. Karve</i>
	<i>S.V. Kogekar</i>
	<i>S. Lall</i>
	<i>C.J. Chacko</i>



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C O N T E N T S

	<i>Page</i>
On Interviews	<i>A.A.A. Fyzee</i> 201
Parliamentary Control Over Delegated Legislation in India	<i>M.P. Sharma</i> 208
Liaison Between Government and Parliament	<i>N.K. Bhojwani</i> 218
Nationalisation of Telephone Companies	<i>T. R. Mantan</i> 231
Problems of Delegation	<i>K. Khosla</i> 237
Manpower Administration in the United States	<i>John F. Hilliard</i> 251
Thoughts on Co-ordination	<i>S.B. Bapat</i> 261
Editorial Notes	267
Director's Report	268
News from India and Abroad	270
Digest of Reports	
The Appleby Report (1956)	
Re-examination of India's Adminis- trative System with special reference to administration of Government's Industrial and Commercial enter- prises	276
Rajasthan Administrative Enquiry Com- mittee, 1955	285
Estimates Committee	
31st Report (Ministry of Railways— Finance and Accounts)	287
Estimates Committee	
24th Report (Ministry of Railways— Staff Matters)	289
Estimates Committee	
25th Report (Ministry of Railways— Passenger Amenities)	294

(Please turn over)

INDEX

- | | | |
|--------------------------------------------------------------------------------------------------------------------|--------------|-----|
| <i>Research Frontiers in Politics and Government—
Brookings Lectures, 1955</i>
(Stephen K. Bailey, etc.) | V.K.N. Menon | 296 |
| <i>Private Members' Bills in the British Parliament</i>
(P. A. Bromhead) | C.V.H. Rao | 297 |
| <i>Treasury Control—The Coordination of Financial
and Economic Policy in Great Britain</i>
(Samuel H. Beer) | B.S. Narula | 298 |

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CONTENTS

	<i>Page</i>
The Man of Action in Modern Society	<i>Sir Basil Embry</i> 301
Police Administration in India—A Re-appraisal of Aims and Means	<i>D.G. Karve</i> 307
How to be Interviewed	<i>Don H. Roney and Charles H. Cushman</i> 316
Leadership in Administration	<i>K.N Butani</i> 325
Nationalisation of Road Transport in Uttar Pradesh	<i>Jagdish Prasad</i> 329
Evaluation of Development Programmes	<i>V. Nath</i> 339
The Administrative Heritage of India	<i>K.N.V. Sastri</i> 349
The National Savings Organisation	<i>K.S. Malhotra</i> 359
Editorial Notes	369
Director's Report	370
News from India and Abroad	375
Digest of Reports	380
India. Public Services (Qualifications for Recruitment) Committee	
Uttar Pradesh. Report on Treasuries by Commissioner for Reorganisation	
U. K. Committee of Enquiry into the Cost of the National Health Service	

(Please turn over)

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